April 29, 1976

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...of countryside have ...into "tinder boxes" ...onged drought, the ...ommission reports. ...ing Page 8

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BUSINESS

Sterling rallies 85 points to $1.8320

● STERLING gained 85 points *against the dollar to close at* $1.8320, helped by hopeful signs of agreement between the Government and the TUC on wage restraint. This is a 2½ cent recovery from the worst level touched on Monday. The level of trading on the foreign exchange market so far this week has been subdued, suggesting reluctance to speculate on sterling's *future* until the terms of any agreement are made public. The pound's weighted depreciation narrowed to 37.2 (37.5) per cent. The dollar's widened to 1.68 (1.59) per cent.

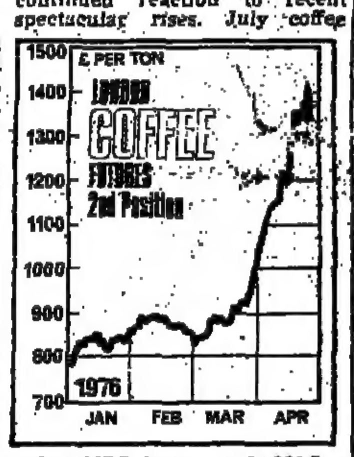
● GILTS were buoyed by optimism that a wage pact would be concluded and by sterling's strength. There were gains of up to ⅜. The Government Securities Index put on 0.37 to 61.84, for a two-day rise of 1.03.

● EQUITIES saw scattered buying in the morning, but interest faded later. The FT 30-Share Index—up 2.5 at 11 a.m.—ended *only 0.4 higher on the day at* 410.3.

● GOLD fell $¼ to $128¼.

● WALL STREET rose 5.20 to 1,000.71, but declines led advances 762 to 650 in slow trading.

● COFFEE and cocoa futures values lost further ground in a continued reaction to recent *spectacular rises.* July coffee



ended £85.5 lower at £1,330.5 a tonne, and July cocoa fell £20.25 to £1,020.5 a tonne. Page 39

● U.S. INDEX of leading economic indicators fell 0.4 per cent. last month—the first *decline since October.* Although the Commerce Department cautioned that one month's figures may have very little statisticals ignificance, the drop has taken many analysts by surprise. Page 5

● ANTI-DUMPING charge of 16 per cent. *has been imposed on* U.K. imports of men's leather fashion shoes, boots and moccasins from Brazil. This is *likely to cloud President Geisel's* visit to Britain. Page 5

● LAING OFFSHORE has plans to change the manufacturing emphasis of its Graythorp oil platform construction yard in a bid to save some of the 1,800 jobs at stake. Page 8

● GERMANY'S first official strike this year will affect many newspapers to-day. The *printing union* called the strike after a secret ballot showed 90 per cent. support for industrial action over a wage claim. Page 6

● BRITISH CAR industry raised its exports 22 per cent. to £147.3m. in the first quarter; but the "trade gap" widened, with imports climbing 45 per cent. to £174.9m. Page 4

COMPANIES

● FOSECO MINSEP, the metallurgical chemicals group, reports pre-tax profits of £14.16m. (£12.69m.). The dividend is raised to 3.7246p (3.4278p). Page 29 and Lex

● ARTAGEN PROPERTIES has rejected the 73p a share cash bid by Sun Life Assurance. Part of the Board's defence will be a raised dividend. Page 26 and Lex

...RICE CHANGES YESTERDAY

...nce unless otherwise ...ndicated)

RISES			
...e 1981	£93¾	+	¼
...e 1990	£101	+	½
...can Ind.	580	+	30
...al Ind.	119	+	7
...	104	+	5
...ast	66	+	3½
...	289	+	7
...	253	+	9
...rries	68½	+	3½
...ds	70	+	6
...er	125	+	5
...	330	+	15
...tank	79	+	4
...	36	+	3
...ar	148	+	5
...Universal	121	+	5
...n.)	111	+	5
...	150	+	5
...	58	+	4

Standard Chartered	415	+	5
Teacher (Distillers)	225	+	8
Thermal Syndicate	78	+	5
Wadkin	83	+	4
British Borneo	130	+	8
Shell Transport	432	+	5
Woodside-Burmah	100	+	7
Peko-Wallsend	560	+	10
Westfield Minerals	132	+	9
FALLS			
Barclays Bank	292	−	6
Keyser Ullmann	42	−	3
London Bridge Secs.	9	−	2½
Pearl Assurance	216	−	6
Sanderson Kayser	54	−	3
Waite and Son	77	−	6
Doornfontein	410	−	20
Libanon	480	−	35
Palabora	880	−	20
Pres. Steyn	850	−	40
Selection Trust	525	−	30
Western-Deep	£10¼	−	½

Outline of pay deal settled by TUC and Ministers

BY ROY ROGERS, LABOUR CORRESPONDENT

Government and TUC negotiators are on the verge of concluding an agreement on a further period of voluntary pay restraint to follow the £6 a week *limit which expires at the end of July.*

Agreement in principle was reached last night at a 2½-hour session of talks between Ministers led by Mr. Denis Healey, Chancellor of the Exchequer, and union leaders headed by Mr. Len Murray, TUC general secretary.

More talks will be held over the week-end or early next week to finalise details of the proposed agreement in time for consideration at a special TUC general council meeting called for next Wednesday.

First indications of the shape of the eventual package came last night from Mr. Murray, who said it is likely to take the form of a combination of percentage and flat rate.

It will also probably include minimum and maximum cash limits. This approach would mean that all earners would be entitled to rises under the next stage of the policy up to the agreed cash maximum, including those on £8,500 a year or above who are excluded from receiving increases under the present £6 *policy.*

No other details were available last night, nor are they likely to be before the TUC economic *committee* meets on *Monday* or Tuesday to review progress in advance of the general council meeting.

A *compromise* between the Cancellor's Budget offer of a 3 per cent. norm linked to £1bn. of tax concessions and the TUC *initial suggestion of the tax* concessions plus rises of about 5 per cent., *looks* the most likely outcome.

The way was cleared for a negotiated settlement yesterday morning when the full general council heard a report on progress to date and called a further general council meeting next Wednesday with a view to endorsing the settlement and recommending it to the special TUC Congress which they confirmed will be held in London on June 16.

Mr. Murray declare later that the council had reaffirmed the need for continued co-operation with the Government and discussions with Ministers, with the aim of reaching an agreement.

Several Left-wingers on the general council, including Mr. Clive Jenkins of the Association of Scientific, Technical and Managerial Staffs, and Mr. Alan Sapper of the Association of Cinematograph, Television and Allied Technicians, had reservations about the way the talks were proceeding.

But only Mr. Ken Gill, Communist general secretary of the technical and supervisory section (TASS) of the Amalgamated Union of Engineering Workers came out positively against an agreement.

Mr. Gill argued his long-held views that there should be a return to *free* collective bargaining. Others on the general council raised points of difficulty which a new policy might provide *for their particular industries.*

But, said Mr. Murray, it was accepted that it would be impossible to provide in detail for all the varying circumstances. The end-product of the negotiations was bound to have some "rough edges," he added.

It was evident from yesterday's general council meeting that whatever finally emerges from the negotiations, it will be endorsed by them next Wednesday. A far greater test, however, is likely to come at the mid-June Congress and at individual union conferences over the next few weeks.

The TUC is hoping for some Government commitment on prices and jobs—the two items that militants are certain to cite when calling for rejection of the policies.

Endorsement of the Chancellor's pay and tax-relief strategy came yesterday from Mr. Bill McCall, general secretary of the 105,000-member Institution of Professional Civil Servants, the largest Civil Service union outside the TUC.

Mr. McCall described the proposals *as "highly attractive,"* but warned that there was no point in the TUC concluding an agreement with the Government that could *not be honoured or* which jeopardised the fight against inflation.

The IPCS is expected to debate *an emergency motion at its* annual conference next week at Eastbourne which, Mr. McCall said, is likely to support any percentage increase worked out by the TUC and Mr. Healey.

Exchange control inquiry by Bank

BY MICHAEL BLANDEN

THE Bank of England has started an investigation, in conjunction with the Treasury, to discover whether any of its own officials has been involved *in breaking the exchange control regulations.*

The announcement of the investigation last night came in response to recent suggestions in the Press that a bank official may have been concerned in breaches of the rules relating *to the investment currency* market.

The Bank's statement made no specific reference to the nature of any possible breaches involved.

It said: "In the context of recent allegations in the daily Press and elsewhere, the Bank of England announced to-day that investigations are being conducted in conjunction with *HM Treasury, with a view to* discovering whether any official of the Bank has knowingly been involved in any breeches *of the Exchange Control Act* 1947."

The statement added: "If any evidence sustaining such *an involvement is found,* the normal machinery will be brought into action with a view to prosecution."

A *series of incidents* recently have related to exchange control supervision.

These have included the *Stock Exchange Council's* suspension of the broking firm Lewis Altman, following the Treasury's decision to revoke *certain special and general* permissions granted to the firm under the Exchange Control Act, and the issue of 10 summonses against property dealer Mr. Ernest Brauch involving charges under the Exchange Control Act.

The Bank itself has issued a reminder to authorised banks and Stock Exchange members in the U.K. concerning the regulations in relation to the investment currency premium.

This is the premium on the limited volume of foreign currency which is available for investment in overseas securities, which currently stands at around 50 per cent.

In its leter, the Bank gave a reminder "of the risk that foreign currency securities may be represented as being eligible for sale with the benefit of the *investment currency premium* when they do not so qualify."

£ in New York

—	April 28	Previous
Spot	$1.8380-8390	$1.8210-8220
1 month	0.83-0.76 dis	0.77-0.71 dis
3 months	2.56-2.50 dis	2.63-2.44 dis
12 months	8.30-8.20 dis	8.30-8.20 dis

Pennsylvania gives Carter major boost

BY JUREK MARTIN, U.S. EDITOR WASHINGTON, April 28.

MR. JIMMY CARTER'S decisive *victory in yesterday's primary* election in Pennsylvania means that the only remaining obstacle on his path to the Democratic Party's Presidential nomination is the non-candidate, Senator Hubert Humphrey from Minnesota.

Considerable *pressure was being* exerted on Senator Humphrey by Democrats to-day to declare either a formal candidacy or his opposition to Mr. Carter. Last night, he contented himself with the comment: "If Jimmy Carter can win, I'm not going to try to stop him," but this morning there were signs that he might be wavering.

He said to-day that he might authorise the creation of an exploratory committee to look into the prospects of a bid for the nomination. He repeated his belief that nobody would take the *nomination on the first ballot at* the convention in July.

Previously, however, he has said that if any candidate goes *to Madison Square Garden* with 1,150 delegates pledged to him (1,505 are needed for the nomination) then the party would be *foolish to deny him the prize.* It is clear now that only Mr. Carter has hopes of that total.

The Carter goal is to go to the convention in New York in July with at least 1,000 delegates under his belt. With nearly half the total delegates already selected, he is not much more than a third of the way to his target, but can now be expected to pick up more as the races multiply in May and June.

He will be opposed by several favourite son candidacies and will run up against the enigmatic Governor Jerry Brown of California in his home State and in Maryland three weeks from now but, unless Mr. Brown captivates the country, Mr Carter's prospects look good.

Senator Humphrey can only enter three primaries—in Oregon and Nebraska, where his name is *on the ballot whether he likes it* or not, and in New Jersey, the filing deadline for which is tomorrow.

Senator Humphrey's hope, therefore, lies in the continued selection of uncommitted and *favourite son delegates.*

This was *President* Ford's opinion. The President, who won without opposition in Pennsylvania, said that he *thought* Mr. Carter was *probably* unstoppable now.

Mr. Carter's margin of victory in Pennsylvania exceeded most expectations, especially in the light of the strong campaign waged against him by organised labour.

Carter's wagon rolling fast, Page 22

He obtained 37 per cent. of the vote in the preferential contest, against 25 per cent. for Senator Henry Jackson from Washington, 19 per cent. for Congressman Morris Udall from Arizona and 11 per cent. for Governor George Wallace from Alabama.

In the opinion of many observers, both Mr. Jackson and Mr. Udall had been running in effect, as surrogates for Mr. Humphrey.

Apart from this victory in the so-called "beauty contest," or *straightforward Presidential* preference vote, Mr. Carter also won a plurality in the delegate selection contest which also took *place yesterday.*

This victory was the more

Continued on Back Page

Leyland warns: We may ask for loans to end

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

BRITISH LEYLAND'S industrial relations must improve or the Board might advise the Government not to put more money into the company. This was the stiff warning delivered to BL's strike-prone workforce yesterday by Sir Richard Dobson, its new chairman, in his first significant public statement since his appointment 28 days ago.

Sir Richard said that it was "not too unlikely or too remote a possibility" that the Board might have to follow such a course.

Strikes had become a way of life in the car industry, and industrial relations were clearly the company's main problem. He conceded that the well-entrenched habits of the industry would take some time to change.

He stressed that it was his view that the Government was not bluffing in its threat to withhold further tranches of the loan finance guaranteed in the rescue plan if industrial relations did not improve.

In a carefully measured statement to the Commons Trade and Industry Sub Committee investigating the Chrysler rescue deal, he said: "If you are asking me if I believe that there is a real possibility of the Government finding it *impossible* or unwise to provide more money for Leyland, then I think there is. The more people who understand that the better."

This view of the problems arising from what Sir Richard called Leyland's "self-destructiveness" was somewhat at odds with a statement made yesterday by Lord Ryder, chairman of the National Enterprise Board which owns the motor company.

Lord Ryder, who will almost certainly give evidence at the committee himself next week, told a meeting of the Industrial Society that he did not believe that the country as a whole was prepared to face the economic and social consequences of a company of national importance like BL going out of business altogether.

Production of Allegro cars at BL's Longbridge plant was halted yesterday by a walk-out *by body shop workers* over plans for mobility of labour. Labour News, Page 14

Sir Richard qualified his remarks by saying that there was litle point in half-mending a leaking roof—implying that it would be a mistake for the Government suddenly to cut back on its original plans for heavy and continuing investment in the company.

Mr. Pat Lowry, the industrial relations director, indicated that BL's labour problems had been intensified by the Government's pay policy.

Several of the recent disputes had resulted directly from the rule preventing pay increases *within a 12-month period* and the "inflexible arrangements" on pay.

In a deliberate and considered statement Mr. Lowry threw his weight behind the lobby that is supporting a more flexible system of wage increases in the current round of negotiations on the next phase of the Government's pay policy.

Unless there was a change, there was little possibility of the company being able to reduce substantially the 100 bargaining units in the car group to more manageable proportions, although proposals to do this had met with an encouraging response from the trade unions.

Disputes over the last six months had cost the company about 60,000 cars, and £120m. at showroom prices, according to Mr. Derek Whittaker, managing director of Leyland Cars.

Overall, strikes had cost the car group about 3 per cent. of potential output—although only 1 per cent. of that was from *internal disputes—while* absenteeism had lost about 1½ per cent.

Leyland is aiming at an eventual production rate of about 1m. vehicles a year by the end of this financial year—more than 50 per cent. above the output rate last year.

In the first six months of this year the company had also improved on its industrial relations record. In the last financial year BL was losing 800,000 man hours per month because of industrial action, and in the first six months of the new financial year the figure was down to 40,000 at the lowest and 600,000 at the highest peak.

NEB-backed groups Page 9

Labour still controls committees

BY RICHARD EVANS, LOBBY EDITOR

TO THE FURY of Conservative leaders, a committee of MPs decided last night to recommend that Parliamentary committees debating controversial Bills should continue to have a Labour majority, even though the *Government has lost its* overall majority in the Commons.

The decision, made on the casting vote of Mr. Hugh Delargy, Labour chairman of the Committee of Selection, means that the Government now has a much better chance of steering through the Commons controversial measures like the Finance Bill and the pay beds legislation.

But the Tory Opposition is determined to reverse the decision—taken by Mr. Delargy after his committee had tied 3—3. Mr. John Peyton, shadow leader of the House, immediately tabled a motion in the name of the shadow Cabinet calling on the Committee of Selection *to ensure* that future committees are appointed on an equal basis. The Liberals tabled an amendment pressing the Government to reconstitute the Committee of Selection.

Pressure will be brought today on Mr. Michael Foot, Leader of the House, who admitted before the Easter recess that account would have to be taken of the new Parliamentary situation.

The Conservatives are awaiting the result of to-day's exchanges and of a probable debate on their motion next week before discussing further tactics. But last night some Tory backbenchers were already talking in terms of disrupting all Government business.

Bills which could be particularly *vulnerable* are *those still* going through the Commons, including the Aerospace and Shipbuilding Bill, the Dock Work Regulation Bill and the Education Bill.

The problem arose after the defection of Mr. John Stonehouse, former Labour MP for Walsall North, to the Opposition benches. This meant that instead of a majority of one, the Government is in a minority of one.

Standing committees, which debate Bills in detail after their second reading, reflect the composition of the House and the Tories argue that the Government and Opposition should now be on an equal basis.

But Mr. Delargy, MP for Thurrock, said after the heated two-hour meeting, that the view of Labour members on its committee was that while the Government might not have an overall majority on paper, it was *unreasonable to lump* all the Opposition parties into one. He pointed out that two Northern Irish MPs, Mr. Gerry Fitt and *Mr. Frank Maguire, sat on* the Labour benches and invariably voted with the Government.

The committee also decided immediately on the composition of the committee considering the Health Service Bill which contains provision for phasing out pay beds. The Conservatives pressed for nine Labour MPs, eight Tories and one Independent, but again on the chairman's casting vote the committee voted for ten Labour members.

Unless the decision is reversed, *which seems unlikely,* the Committee of Selection is likely to be involved in a series of wrangles as each Bill completes *its second reading.* If there is a debate on the issue next week, it could test the Government Whips severely, as all the Opposition parties are expected to back the Tory view.

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SALEROOM BY ANTONY THORNCROFT

Jack Dick collection fetches total £2.8m.

SOTHEBY'S last night held the fourth and final auction of the Jack Dick collection, the 230 English sporting pictures bought by the American millionaire, the late Jack Dick, in the 1960s. The sale went very much according (to which must be added a 10 per £561,200, for a grand total of £2,976,700.

The most important picture, The Duke of Grafton's Stallion, Mares and Foals, by George Stubbs, was bought for an American collector for £170,000, to which must be added a 10 per cent. buyers' premium).

The price was slightly below the £180,000-£220,000 pre-sale forecast. In the main, though, prices were around target and only one lot was bought in.

Other high prices included £52,000 (just within target) for a Portrait of Alexandre le Pelletier de Molimide by Ben Marshall.

However, Dick had set an auction record of £56,000 for the artist when he acquired it in 1968, and the fact that it went for less last night (ignoring the buyer's premium) shows how this sector of the art market has been affected in recent years.

A John Frederick Herring Snr. portrait of Memnon with William Scott up, sold for £37,000, almost double the estimate.

The London salerooms had one of their busiest days ever yesterday, with records both on their home ground and in the auctions they have been holding this week in Europe.

The highest price was the £400,000 (plus premium) paid at Christie's sale in Geneva on Tuesday evening for a pair of Louis XV soup tureens and covers made by France's greatest silversmith, Thomas Germain.

They were bought by a private Swiss collector. The price was the highest sterling bid ever for an item of silver, beating the record established at Christie's last Geneva sale in the autumn. But so low has sterling declined in value since then that in terms of Swiss francs, it was not quite so high. In all, the auction totalled £1,611,851, a record for a silver sale, double the previous best.

Pair of Louis XV soup-tureens and stands by Thomas Germain which sold for £400,000.

Other exceptional prices were £44,400 for a silver gilt travelling tea, coffee and toilet set made by Martin Guillaume-Biennais for the Emperor Napoleon, who gave it as a present to his wife, Marie-Louise, and the £37,770 for a soup tureen and stand by Jakob Waremburg, of Augsberg, made around 1725. The London dealers F. J. Phillips paid £35,550 for a George IV table garniture by Paul Storr, the highest price for a piece of English silver at the auction.

Back in London, Sotheby's was extraordinarily successful in disposing of the Old Master drawings belonging to the late Robert Gathorne-Hardy, the novelist and botanist, who died in 1973. All but five of the 34 drawings were sold, for a total of £254,480. There were five new auction records.

The top price was the £55,000 (plus the 10 per cent. buyer's premium) paid by the London dealer Colnaghi for a small pen and ink drawing of a bird on a branch by the 15th century Italian master Andrea Mantegna. It was an auction record for a 15th century Italian drawing. Another record was the £42,000, paid anonymously, for black chalk drawings of a male nude by Michaelangelo.

Not far behind in interest were the £38,000, double the forecast, for a sheet of drawings by Parmigianino (another auction record); the £29,000 from Agnew—and a record—for a coloured chalk drawing of a man with his arm raised, by Il Salviati; the £25,000 (a record) for a pen and ink by Lo Schiavonei; the £22,000 for another Parmigianino; and £15,000, yet another record, for Aspertini's chalk and ink of The Massacre of the Innocents.

On Tuesday night, Sotheby's Mak van Waay saleroom in Amsterdam completed the disposal of the collection of Dutch and Flemish paintings of Mr. van den Heuvel. The total over two days was £2,912,529, and after 10 new auction records for artists on Monday, eight of the 10 highest prices on Tuesday also fixed new highs.

Christie's in London held an auction which, on a normal day, would have captured the headlines. On offer were five autograph letters by Lord Byron to his cousin, Lady Hardy, wife of Nelson's friend. They are very gossipy and were acquired by the London dealer Sawyer for £13,000, as against the pre-sale forecast of £4,000-£5,000.

Newspaper criticised on Scargill

A NEWSPAPER was quite wrong in reporting that Yorkshire miners leader Mr. Arthur Scargill, had been found guilty of contempt by the Privileges Committee of the Commons, the Press Council said yesterday.

The committee did not make a specific finding on a complaint against him.

The Yorkshire area of the National Union of Mineworkers complained that an article in the Daily Mail was unfair and untrue, gave a misleading impression as a result of an inflammatory headline and was an attack on the integrity of its president, Mr. Scargill.

Mr. Scargill told the council that in regard to the words he was alleged to have used about the voting of sponsored Members of the Commons he had told the clerk to the Committee of Privileges that part of the quote was incorrect and the second part was an actual part of the resolution of the area council and therefore could in no way be attributed to him.

The Press Council's adjudication was in part:

"It is a fact that the Privileges Committee of the House of Commons, although having had two complaints referred to it for consideration, made no specific finding of guilty or not guilty in relation to the complaint against Mr. Scargill personally, while holding that the action of the area council of which he was president amounted to serious contempt.

"The Daily Mail was therefore quite wrong in stating that Mr. Scargill personally had been found guilty of contempt and the committee still 'let him off'.

"Mr. Scargill did actually participate in the action condemned, supported it at a Press conference and in a television interview and morally if any responsibility attaches to the area council he at least shares that responsibility with all other members.

"The complaint in regard to the report that Mr. Scargill had been found guilty of contempt is, however, upheld."

RACING BY DOMINIC WIGAN

French fillies have a great chance

THE FRENCH, who have not landed a 1,000 gns. since Roger Poincelet partnered Never Too Late to victory 16 years ago, look set to dominate to-day's running of the first fillies Classic. I expect *Flying Water*, *Kesar Queen* and *Antrona* to give them a clean sweep.

There is no denying the claims of the 6 to 4 favourite Flying Water, bidding to retain her unbeaten record.

Mr. Daniel Wildenstein's compact Habitat filly, an easy winner of a maiden event at Chantily in July in which she had two lengths to spare over Imogene, impressed all who saw her when she totally out-pointed the opposition in the Nell Gwyn Stakes here a fortnight ago.

Sent to the front just over a furlong from home Flying Water, half-sister to that top class performer Felicio II, forged clear to dispose of her rivals in summary fashion.

A reproduction of that running should see Angel Penna's remarkable little filly following up with the minimum of fuss.

Kesar Queen and Antrona, second and third in the Prix de la Grotte won by Riverqueen 10 days ago, seem set to fill the minor berths ahead of the extremely weak home opposition.

Kesar Queen, who had two lengths to spare over Antrona in the Prix de la Grotte, has been striding out with great zest at Chantilly since that run and at odds of about 16 to 1 she appealed as a fine each-way alternative to the favourite.

Edward Hide, who had a crashing fall when Rippling broke her leg while coming with what in Hide's view was a winning run in the Glenlivet Handicap here on Tuesday, can land two winners for Michael Stoute's stable.

I expect *Rial* to get him off on a winning note in the opener, the May Maiden Stakes and Beau Dutch to follow up for him in the Botesdale Handicap.

NEWMARKET
2.00—Rial*
2.30—Beau Dutch***
3.00—Ribarbaro**
3.35—Flying Water
Kesar Queen each-way
4.10—Juke Box Jury
4.40—Johnny Turner
5.10—Welsh Flame

TEESSIDE
1.45—Palaestrina
2.15—Sovereign Brook
2.45—Lucky Seventeen
3.15—Jewelled Turban

The last named, a progressive son of Ribocco, ran well on his seasonal debut behind several fitter rivals in the Gresley Handicap at Doncaster recently and he appeals as the day's best bet.

A third likely winner for Stoute, who deserves a change of fortune after Rippling's ill-fated run, is *Ribarbaro*, who followed up a comfortable victory in Newcastle's Crown Plus Two Apprentice race on April 17 by defeating Hopeful Bloom by six lengths in the Studley Royal Handicap at Ripon four days later.

Women are increasingly involved in serious crime

WOMEN ARE becoming increasingly involved in more serious and violent crime—and greater emancipation may be the cause, Miss Daphne Skillern, Britain's only woman police commander, said yesterday.

"The traditional philosophy of women being the gentler sex, more sinned against than sinning and therefore deserving a more lenient punishment, is open to question." Miss Skillern, head of New Scotland Yard's personnel department told the Royal Society of Health's annual congress in Eastbourne.

"It is by no means unusual now to find women increasingly involved in more serious and violent crime as participants or organisers. Younger females are indulging in vandalism, football hooliganism and forming gangs on a masculine pattern."

Women's changing lifestyle, releasing them from home commitments and family, might be allowing them to exercise "latent greed and viciousness," according to one theory.

Alternatively, the development might be just a passing phase, as women were bewildered by the rapid alteration in their status.

Outside the meeting, Miss Skillern said: "The numbers of women involved are still very small compared with men."

But in 1974, the incidence of vandalism among 17 to 21-year-olds reached its highest point, and the proportion of women cautioned or committed for indictable offences went up to a greater degree than for men.

TV/Radio

† Indicates programme in black and white.

BBC 1

7.05 a.m. Open University (UHF only). 9.41 For Schools, Colleges. 12.25 p.m. On The Move. 12.45 News. 1.00 Pebble Mill. 1.45 Fingerbobs. 2.00 You and Me. †2.15 For Schools, Colleges. 3.20 The 60 70 80 Show. 3.58 Regional News (except London). 4.00 Play School. 4.25 Barbapapa. 4.30 Jackanory. 4.45 Blue Peter. 5.10 John Craven's Newsround. 5.20 Boss Cat.
5.45 News.
6.00 Nationwide.
6.55 To-morrow's World.
7.20 Top of the Pops.
8.00 Are You Being Served?
8.30 The Burke Special.
9.00 News.
9.25 A Pin to see the Peepshow by F. Tennyson Jesse, part 1.
10.15 Omnibus in Hollywood—Busby Berkeley and the years at Warner Brothers.
11.15 To-night.
11.50 Weather/Regional News.

All regions as BBC 1 except at the following times:

Wales—5.20-5.45 p.m. Bilidowcar. 6.00-6.55 Wales To-day. 6.55-7.20 Heddiw. 8.30-9.00 Blodeugerdd. 11.50 News for Wales.

Scotland—6.00-6.55 p.m. Reporting Scotland. 11.05-11.30 Bonn Comhraidh (North and North West transmitters only). 11.50 News Summary for Scotland.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-6.55 Scene Around Six. 11.50 News for Northern Ireland.

England—6.00-6.55 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth).

BBC 2

6.40 a.m. Open University.
11.00 Play School.
5.00 p.m. Open University.
7.05 The Health Show.
7.29 Weather.
7.30 Newsday.
8.10 Chronicle.
9.00 Call My Bluff.
9.30 The Man Alive Report.
10.20 Rhoda, new comedy series.
10.45 Network.
11.15 Newsnight.
11.30 Closedown: Richard Bebb reads "Daughter," by Thomas Blackburn.

LONDON

9.30 a.m. Schools Programmes. 12.00 The Music Man. 12.10 p.m. Mister Trimble. 12.30 Money Wise. 1.00 First Report: News, FT index. 1.20 Lunchtime To-day. 1.30 Couples. 2.00 Good Afternoon. 2.25 Racing from Newmarket. 3.55 General Hospital. 4.25 Children's Film Matinee: "The Master of Ballantrae," starring Errol Flynn.
5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 The Six Million Dollar Man.
8.00 Man About The House.
8.30 Clayhanger.
9.30 This Week.
10.00 News.
10.30 Evening Standard Five-a-Side Football.
11.30 Help.
11.35 Thursday Thriller: "Pendulum," starring George Peppard and Jean Seberg.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 2.00 Women Only. 4.25 The Romper Room. 4.50 Spiderman. 5.20 Castaway. 6.00 About Anglia. 6.20 Arena. 7.00 Cash and Company. 10.30 Now And Then. 11.00 Comedy Hour. 11.55 The Living Word.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 4.25 The Lone Ranger. 4.50 Time Tunnel. 6.00 ATV Today. 7.00 The Magician. 10.30 Gardening Today. 11.00 Evening Standard Five-a-Side Football. 12.00 Sister Joan Lewis talks about "suffering."

BORDER

†1.20 p.m. Border News. †4.25 Children's Matinee: "Good Morning, Boys!" starring Will Hay. 6.00 Border News and Lookaround. 7.00 Movin' On. 10.30 Gardening Today. 11.00 Journey to the Unknown. †11.55 Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 4.25 Children's Matinee: "The Desert Hawk." 6.00 Channel News. 6.10 Wildlife Theatre. 7.00 Combat. 10.30 Randall and Hopkirk (Deceased). 11.25 News and Weather in French.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 4.25 Tarzan. 5.20 Wonder Weekly. 6.00 Grampian Today. 10.30 The Odd Couple. 11.00 Second Profile. 11.30 Evening Prayers.

GRANADA

1.20 p.m. This Is Your Right. 4.25 Survival. 4.50 The Flintstones. 5.15 Dodo. 5.20 Crossroads. 6.00 Granada Reports. †6.30 Command Performance. †11.30 The Main Chance—from a story by Edgar Wallace.

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 4.25 Tell Me Why. 4.55 Sky. 5.25 Crossroads. 6.01 Report West. 6.18 Report Wales. 6.35 The Best In The West. 7.05 The Magician. 10.30 The Shoot. 11.00 The Late Film: "Who Killed Teddy Bear?" starring Juliet Prowse.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.25-4.55 Bie Yn y Byd . . . ? 6.01-6.18 Y Dydd. 6.35-7.05 Sports Arena. 10.30 The Finals of the Welsh Nurse of the Year Competition. 11.15 Massacre at Fort Phil Kearny.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.18-6.35 Sport West.

SCOTTISH

†1.25 p.m. Road and Weather Report. 2.00 Women Only. 4.25 Tarzan. 5.20 Piper and his Friends. 5.25 Crossroads. 6.00 Scotland Today. 6.30 Garnock Way. 10.30 Drive-In. 11.00 Late Call. 11.05 The Collaborators.

SOUTHERN

1.20 p.m. Southern News. 2.00 Women Only. 4.25 Tarzan. 5.20 Hound for Trouble. 5.25 Crossroads. 6.00 Day by Day. 6.35 University Challenge. 7.05 Island of Adventure. 10.30 Music In Camera. 11.00 The Late Thursday Film: "The Phantom Of Hollywood" (TV Movie). 12.25 a.m. Southern News Extra.

TYNE TEES

9.25 a.m. Starting Point. 1.20 p.m. Lunchtime News and Lookaround. 2.00 Women Only. 4.25 Phoenix Five. 4.50 Beachcombers. 5.20 University Challenge. 6.00 Today At Six. 7.00 Emergency. 10.30 Sportstime. 11.00 Boney. 11.50 Epilogue.

ULSTER

1.20 p.m. Ulster News Headlines followed by Lunchtime. 4.23 Ulster News Headlines. 4.25 Tarzan. 5.20 Tell Me Why? 6.00 UTV Reports. 7.00 The Big Valley. 10.30 Nurse of the Year. 11.00 What's It All About.

WESTWARD

12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 4.25 Children's Matinee: "The Desert Hawk," starring Richard Greene, Rock Hudson and Yvonne de Carlo. 6.00 Westward Diary. 7.00 Combat. 10.30 Westward Report. 11.15 Westward Late News. 11.18 West Country Job Finder. 11.25 Faith for Life.

YORKSHIRE

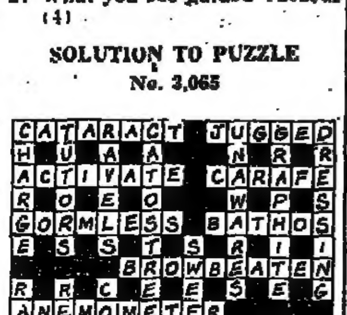
1.20 p.m. Calendar News. 4.25 Thunderbirds. 5.20 University Challenge. 6.00 Calendar. 7.00 Emergency! 10.30 Emmerdale Farm. 11.25 Evening Standard Five-a-Side Football Championship.

F.T. CROSSWORD PUZZLE No. 3,066

ACROSS
1 Quiet seat (6)
4 Inclination to write to church worker (8)
10 Means of access give salutation to French streakers (7)
11 You see no motor in a musical instrument (7)
12 Direct removal of learner in the river (4)
13 "Now is the winter of our ——" (Richard III) (10)
15 Up-to-date, sounds very French, contains what has not been dealt with (2-4)
16 Want a country residence? Use your loaf (7)
20 The control can be found in that (7)
21 Gets the needle, but swingers are in it (6)
24 Parrot provides a fair register of opinion (6, 4)
26 A command to avoid (4)
28 Professional worm returns in the back (7)
29 Shakespearean character gives a party in the vessel (7)
30 "When Wellington —— Bonaparte" (Iolanthe) (8)
31 School fees include the race in the island (6)

DOWN
1 What a deputy does to put up with evil (6, 2)
2 A happy couple can bring home the bacon (3, 6)
3 Nothing in a forensic address should be vulgar (4)
5 Short cut from college produce (4, 4)
6 Multiple shop has tea prepared (5-5)
7 A soldier in drink must be nimble (5)
8 Skill gets up with its features (6)
9 Active atmosphere surrounds the good man (5)
14 Stories of periscope without range (5, 5)
17 Admirable behaviour in a smart horseman (4, 5)
18 Get Pluto by himself to break up (8)
19 Flags for Quaker workers (8)
22 Courage keeps the dissolute up to it (6)
23 To dismiss about fifty is remiss (5)
25 Keen, but a bore (5)
27 What you see guided Theseus (4)

SOLUTION TO PUZZLE No. 3,065



RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 11.00 Paul Burnett with The Radio 1 Roadshow from Paradise Street Liverpool. 12.30 p.m. Newsbeat. 12.45 Johnnie Walker, including this week's new Top 20 LP discs. 2.02 David Hamilton (S) (also on VHF). 4.30 It's DLT OK! 5.45 Newsbeat. 6.02 John Dunn (S) (joins Radio 2). 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry (S) including 6.15 Pause for Thought. 7.02 Simon Bates (S) including 8.27 Racing Bulletin. 8.45 Pause for Thought. 9.02-11.30 Terry Wogan's Open House (S) including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.50 p.m. Sports Desk. 1.55 Good Listening (VHF). 2.02 David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45 and 3.45 Sports Desk and Racing from Newmarket at 3.35. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.50 John Dunn (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Two By Two. 7.30 Sports Desk. 7.33 David Allan's Country Club (S). 9.02 Both Sides Now (S). 10.02 Sports Desk. 10.05 Folkweave (S). 11.02 Don Durbridge with The Late Show (1,500m) only, also 202m Scotland. VHF joins Radio 1). 12.00-12.05 a.m. News.

RADIO 3 464m and VHF

7.00 a.m. News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Sibelius (S). 9.45 BBC Welsh Symphony Orchestra (S). 10.50 Schiller Trio (S). 11.40 The Breath of Life (S). 12.20 p.m. Midday Concert part 1: Berlioz, Mendelssohn (S). 1.00 News. 1.05 Concert, part 2: Haydn, Janacek (S). 1.50 Haydn and Dutilleux piano recital (S). 2.20 New Records (S). 3.25 Composer's Portrait: John Buller introduces his music (S). 4.40 The Developing Musician (S). 5.25 Pied Piper (S). †5.45 Homeward Bound. †6.05 News. †6.10 Homeward Bound (continued). †6.30 Lifelines: The Wider World. 7.30 The Art of Robert Merrill (S). 8.00 Ashkenazy, Colin Davis and the LSO, part 1: Mozart, Schumann (S). 8.45 Designing for Need? by Peter Lloyd Jones. 9.05 Concert, part 2: Beethoven, Sibelius (S). 9.50 Current Trends in Philosophy. 10.15 Couperin harpsichord recital (S). 10.50 Elly Ameling recital: Wolf (S). 11.25-11.30 News.

Radio 3 VHF only—6.00-7.00 a.m. and 5.45-7.30 p.m. Open University.

RADIO 4

434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the Day. 6.45 Today. 7.00 News and more of Today including 7.25 VHF Regional News. 7.45 Thought for the Day. 8.00 News and more of Today including 8.25 VHF Regional News and Weather. 8.45 Yesterday in Parliament. 9.00 News. 9.05 These You Have Loved. †10.00 News. †10.05 From Our Own Correspondent. 10.30 Daily Service. †10.45 Morning Story. †11.00 News. †11.05 If you think you've got problems. †11.50 Sketches of Boz. 12.00 News. 12.02 p.m. You and Yours. 12.27 My Music (S). †12.55 Weather, programme news. VHF (except London and SE) Regional News. 1.00 The World At One. 1.30 The Archers. 1.45 Woman's Hour (from 2.00) including 2.00-2.02 News. 2.45 Listen With Mother. 3.00 News. 3.05 Afternoon Theatre. 3.50 Jack De Manio Precisely, including 4.00-4.05 News. 4.35 Story Time. 5.00 PM Reports. †5.50 Financial Report. VHF Regional News. 5.55 Weather, programme news. 6.00 News. 6.15 Dad's Army. 6.45 The Archers. 7.00 News Desk. 7.30 Any Answers? 8.00 The Brave. 8.45 Stress: Your Life in Your Hands. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book At Bedtime. 11.00 The Financial World Tonight. 11.15 Today in Parliament. 11.30 News.

For Schools (VHF only)—9.05 a.m.-12.00 and 2.00-3.00 p.m.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Richard Vaughan with Rush Hour. 9.00 Susie Barnes with London Live. 11.03 In Town. 12.03 p.m. Cleo de Souza's Call In including 12.45 London News Desk. 2.03 Paul Owens with 206 Showcase. 4.03 Sound Out. 4.32 Tony Fish with Home Run including 5.00 and 6.00 London News Desk. 7.00 In Town. 8.00 Rail. 8.30 In Concert. 10.03 David Simmons' Late Night London. 12.00-12.05 a.m. As Radio 2.

London Broadcasting

261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "AM"—breakfast-time show. 10.00 Brian Hayes—talking to London. 1.00 Newswatch. 5.00 Newsbreak. 7.30 Music in Stereo. 9.00 Nightline. 1.00-4.30 a.m. Nightwatch—news every half-hour.

Capital Radio

194m and 95.8 VHF

6.00 a.m. Graham Dene: The Breakfast Show. 9.00 Tony Myatt. 12.00 Dave Cash: Cash on Delivery. 3.00 p.m. Roger Scott. 7.00 Jane Walmsley and Bryan Wolfe: London To-day. 7.30 Adrian Love: Open Line. 9.00 Nicky Horne: Your Mother Wouldn't Like It. 11.00 The Late Show. 2.00 a.m. Night Flight.

he Zykovs

by B. A. YOUNG

; the key to almost ns in *The Zykovs*, ·ky in 1913 and set 12 the hopes stimu- 05 revolution were 918 revolution was 1ed of.

are a *prosperous* ily in the timber y are surrounded ntipa Ivanich mar- *pretty but stupid* hoping for love finding only stupi- understanding. His oking poet. His nger sister Sofia but finds him out Muratov, a state hitherto noted for ficiency, decides to eater comforts of

; the biggest dis- I. Gorky starts a out pursues them ally. Antipa's un- riage seems at first principal theme. ters are so shallow that the relation- es interest. Both Pavla are single- *Antipa is a man* is success into a bully, a type that can play without whom in this in- can give no depth. seems to be rated ow type, which is Farrow. She is e neighbours to be nd certainly her ging from childish a simple wish to *with everyone* ing good and smil- confirm the sus-

na is the strongest he collection. She the business, she Antipa in his Pavla in order, ie servants, tends Mikhail when he lf lightly in the s the best scenes *warden Muratov* rmance by Norman re they talk about of their society, and the Swede (a wel- comedy from Gary ch he makes an in- llectual proposal of d she turns him e phrase "You are zzler." ould not raise my much with all the passion she has to express was not wholly her fault, though I confess I found her gestures monotonous, her hands constantly raised to cover her face in moments of crisis. But the translation by Jeremy Brooks and Kitty Hunter-Blair is unbearably stilted, as if made literally from the Russian without adaptation into conversational language. *How can anyone observe convincingly on the stage of our time* that there are "words churning in my heart, but say them I can't?"

Mike Gwilym has a good shot at the son, but this is such a characterless part, almost devoid of any telling detail once it is established as an idle, drinking ass. Even at this point of no return, after silly Pavla has blurted out to Antipa "I love Mikhail!" *seems curiously short* of feeling. True, this may be to Mr. Gwilym's credit since Mikhail is a person in whom feeling never runs deeper than the odd millimetre; but it somewhat dulls the impact of the offstage shot that signals his resignation from life.

There is a gallery of supporting characters most of whom are equipped with little histories. Shokhin the keeper once killed a poacher and has to live with his regrets. Pavla's mother wished only to see her daughter well endowed before taking her away to live better than before. Matvey Ilich the *book-keeper* says funny things like "a consternation of notions" (which surely the translators ought to have another shot at) and "not a single body" for "absolutely nobody," though he can talk quite reasonably when he wants to. There are even little scenes *for the kitchenmaid Styopka* (Lynsey Baxter, with a property rustic accent she must have found lying about in her dressing-room).

Gorky never manages to bring all his details to a head. There is plenty of action in the last two acts, though distressingly *little in the first two; but it is* never resolved as Chekhov, for instance (whose ghost stalks about the stage sometimes), would have resolved it.

David Jones, who has given us good times with Gorky before, seems to have been beaten by this one. The stark settings are by Timothy O'Brien and Tazeena Firth. Occasionally I found downstage furniture obscuring the action.

King's Lynn Festival

ing's Lynn Festival, rtistic direction of Hogwood, pays tri- of King's Lynn's dis- itizens, Dr. Charles e programme will s heard by Burney ravels in Europe, or o him. They include *'s and Galatea* and m anthems; two pro- which Eduard Melkus l Bach's unaccom- *works; concerts of* music and major 18th-century orchestral works; and a programme of words and music in which Burney's travels will be described.

Other musical events include concerts by the Hallé Orchestra, the Gabrieli Quartet and Dmitri Alexeev, winner of the 1975 Leeds International Piano Competition. There will be a first performance of *Alleluia Timpanis* by David Bedford, commissioned by the Festival, to be played by the Leicestershire Schools Symphony Orchestra under the composer.

Arts news in brief

ng is to leave the , Cambridge, where artistic director for r, to devote more acting career. He y leave after the iction of *Pygmalion* s successor will be ter.

*

· is going to take ichael Crawford the in *Billy* at Drury 3. Michael Craw-ford has played it since it began two years ago. Other cast changes introduce Fanny Carby as Billy's mother, Deborah Fallender as Liz Tony Aitken as Stamp and Freddie Lees as Shadrack.

*

The main item in this year's Ludlow Festival will be a production of *Hamlet* in the open air at Ludlow Castle. Paul Jones will play Hamlet and Philip Grout will direct.

Mia Farrow and Paul Rogers

Leonard Burt

Record Review

Suites, sonatas, song

by RONALD CRICHTON

Rameau Harpsichord Pieces vols. 1 and 2. Pinnock. 2 records available separately. CRD 1010, 1020. £3.39 each
Campra Cantatas "Arion" and "Didon." Leclair Nos. 8 and 5. Miranda, Trio Brigitte Haudebourg. Arion ARN 38257. £3.49
Lasceux etc. L'orgue français à la révolution (vol. 17 of Le livre d'or de l'orgue français). Isoir. Calliope CAL 1917. £3.49
Enesco Seven songs. Roussel Thirteen songs. Marculescu/Phyllabaum. Saga 5416. £1.25
Stravinsky Piano Sonata (1903/04). Chaikovsky Piano Sonata in G, op. 37. Crossley. Philips 6580 884, £3.10

Trevor Pinnock's two records are the major part of a projected series of three covering the whole of Rameau's harpsichord music—may the set be completed soon, if these are anything to go by. The first "volume" includes the A minor Suite of 1728 and the E minor one from 1724. Both contain magnificent music. Rameau was a less prolific keyboard writer than François Couperin, less subtle, more mas*sive and earthy, with splendid*, memorable tunes. For this record Mr. Pinnock uses a harpsichord by David Rubio "after" Taskin. Among many other virtues of rhythm, phrasing and unfussy registration his playing provides a fascinating demonstration of the expressive value of *notes inégales*, the habit of dotting the second of pairs of notes written down as being of equal value. Like vocal embellishment in 18th century music, the effect ultimately depends on the "how" more than the "what." Following with the music is most instructive here.

The A minor Suite includes a grandly rolling Courante, a Sarabande (in the major) played with particular intensity, "Fanfarinette" made delicious with lute stops, "La Triomphante," as joyous an explosion of physical energy as the finale of Bach's *Italian Concerto* and, finally, the Gavotte with "doubles" or variations, robust as a big keyboard piece by Handel. Mr. Pinnock, surely rightly, repeats the tune at the end, returning to the original, slightly slower tempo. In the E minor Suite are the "Gigue en rondeau" (whose sad tune has haunted me ever since hearing Landowska play it, years ago), the "Rappel des oiseaux," which has lost none of its curious suggestive power, a couple of swinging Rigaudons and other things (including the Musette mentioned above) reeking of the French countryside.

For the second "volume" the instrument is by Clayson and Garrett after Dulcken, less powerful than the Rubio, or perhaps recorded at a slightly lower level, equally satisfying in tone. The early A minor Suite of 1706 is less strong than the much later one in the same key *already discussed, but there is* plenty of character in the music. It is paired with some numbers from the *Pièces en concert* for keyboard and flute or violin. Except for "La Pantomime," which Mr. Pinnock has arranged, the transcriptions are by Rameau. The playing of "La Timide" and "L'Indiscrète" is especially masterly. The record includes Rameau's last harpsichord piece, "La Dauphine" of 1747. If a portrait was intended, the subject must have been an angular, difficult lady indeed.

It was civilised of the firm Arion to pair solo cantatas by Campra with trio sonatas by Leclair. Both cantatas are elegant, finely wrought music, pleasing enough until you think *of what Handel could do with* the form. One of them is *Didon* (the Queen of Carthage once again), the other is *Arion*, not the recording firm but the ancient Greek poet and singer rescued by a music-loving dolphin from death by drowning. Ana-Maria Miranda sings them *with just about as much drama*tic expression as they will stand. She has a light, French-style soprano without shrillness. Cantatas and Sonatas (also elegant and pleasing) are played by the Trio Brigitte Haudebourg, which includes a fine flautist in Jacques le Trocquer.

The organ record is a curiosity. It comes from Calliope's big series "The golden book of the French organ" and is one of three "volumes" dedicated to music of the Revolutionary period (widely interpreted, since one of the obscure composers, Antoine Calvière, died in 1755). The pieces by Lasceux and Michel Corrette are worth hearing for their own amiable sakes and for the entrancing sounds made by the excellent André Isoir on the organ of the cathedral at Poitiers, which dates virtually from 1790, having escaped the *attention of 19th century* restorers and is now lovingly preserved. It is, incidentally, mercifully unlike the steam-whistle effect produced by some Baroque-type organs. The record is a luxury product in the bad sense (except for specialists the music isn't worth the high price) *and in the perfect recording*, sleeve beautifully designed, printed and (English companies please note) carefully and literately edited.

A steep descent in price to the Saga record of songs by Enesco and Roussel. Here recording is only adequate, but the value in *music and performance is out*standing—this is something to be snapped up by lovers of French song and the French school of singing. Yolanda Marculescu is a Romanian soprano of evidently considerable experience in her native country, who now teaches at the University of Wisconsin-Milwaukee. Why don't we hear her, in these times when good French singers are not all that frequent? (One *recalls the poor showing made* by some dim Parisian performer at the official Roussel centenary concert a few years ago.) Mme. Marculescu has a voice of delightful timbre, warm and furry, which could become monotonous without her unfailing sense of style and rare capacity *to milk the words both for their* meaning and for their vowel sounds.

Roussel's *songs are neglected* in this country even now, when the French repertory is fairly widely explored. To have thirteen of them on one record is a treat indeed—the selection includes some of the finest—"Sarabande," "Le bachelier de Salamanque," "Jazz dans la nuit" (Mme. Marculescu's *smoky* inflections here are worth much more than the price of the record), and the two pairs of "Chinese" songs. The Enesco settings of words by Clément Marot (a poet who deserves a touch of Roussel's astringency) sound a little self-indulgent by comparison, but are welcome in such sympathetic performances. The pianist, Katja Phyllabaum, is excellent. More, please, and soon.

On his new Philips record Paul Crossley pairs the recently published, early Piano Sonata of Stravinsky with the rarely-heard G major Sonata of Chaikovsky. The two are so alike in spite of the 20 years and more which separate them that the coupling may well have seemed *irresist*ible, but there is surely a danger that the sameness will pall. While they are [illegible] however, and with Mr. Crossley's dashing, warmly committed yet lucid playing to help them, it doesn't matter. Stravinsky's Sonata is a creditable work for a prentice *composer owing much to the* counsels of Rimsky-Korsakov. Chaikovsky's, though it has typical ups and downs, is not surprisingly the maturer work, and the invention is more striking. Both are full of pianistic rhetoric with which the pianist deals most sensitively, neither exaggerating *nor under-playing*.

Elizabeth Hall

Voices

by MAX LOPPERT

Hans Werner Henze's *Voices*, the evening-long "collection of songs" for two vocalists and instrumentalists given its first performance by the London Sinfonietta in January 1974, was an apt choice of programme for the composer's 50th birthday concert given by the Sinfonietta last night. Henze himself conducted, and the singers were Sarah Walker (mezzo-soprano) and Paul Sperry (tenor).

Voices is one of the richest of recent Henze compositions, one in which his naturally fertile, many-faceted invention is given fullest expression. The 21 songs share the theme — if so many *variations on it can still* be called a theme—of voices worldwide, telling in four European languages of international woe and crying for change; the music clothing the poems is linked more by contrast and balance of satire, lyricism and pathos, than by cyclically cohesive structuring.

It is a luxuriant, full-to-the-brim collection, in which the good poetry (by Brecht, Heine, Enszenburger, *some beautifully* simple Italian lyrics) is enhanced by instinctively "right" as well as novel instrumental colouring, and in which the terrible poetry (notably the crass, cliché-ridden tracts by Erich Fried and a couple of the chosen Black American writers) is transmuted *into dramatic eloquence by vocal* lines always freshly imagined and felt. Has there perhaps been a moral failure on the part of a Marxist composer if the suggestion is possible that it is unnecessary to espouse all (or any) of *Voices'* sentiments to take pleasure in their expression?

At the heart of the cycle—and closest, one feels, to the composer's heart, closer even than political considerations—are several wonderfully compassionate laments, simply phrased and set, with lyrical tenderness and also economy. "Caino" and "Il Basi," two of the Italian poems delivered by Miss Walker with exquisite tact, and "The Worker," for tenor against a background of hummed chords and guitar are the happiest examples of this *acute*, gentle modern melody. Henze's parodistic devices variously in the styles of Weill, Dessau and in*ternational pop*, are sometimes less exact; yet the closed song form each time prevents the music from spilling out of the container—not always true of his larger exploratory concert *pieces*.

Voices was played and sung with sovereign ease and mastery, given that the 15 musicians are players of many instruments, also choristers, sound-effect-providers and other *dramatis personae*. Miss Walker and Mr. Taylor, not perfect vocal tech*nicians—her sustained notes* tended to be bumpy his top to thin out—showed themselves performers of such protean intelligence, linguistic deftness, musical sophistication and theatrical verve as to submerge all school-of-Garcia-and-Marchesi doubts in admiration. In the final song, the duet "Das Blumenfest", celebrating with increasing seriousness and rapture the power of love-and-flowers, all combined to resolve earlier angularities and contradictions in a mood of loving warmth.

Book Reviews are on Page 37

Canadian company for Young Vic

Toronto Workshop Productions makes its London debut at the Young Vic on May 3. The company was founded in 1959 and plays in a *300-seat open-stage* house in Toronto, presenting original works as often as possible.

At the Young Vic they will play *Ten Lost Years*, adapted by the company's own writers from a novel by Barry Broadfoot about the depression of 1929-39, and *Olympics '76*, a light-hearted piece *dealing with the 1976* Olympics in the context of the Modern Olympics movement. Both productions include specially written music and songs.

Cathedral's new Treasury

The new Treasury of Sussex Plate in Chichester Cathedral will be opened by the Very Rev. Walter Hussey, Dean of Chichester, on May 11. The Treasury has been donated by the Worshipful Company of Goldsmiths. Nearly one hundred pieces of ecclesiastical silver will be on display, the earliest being two silver-gilt chalices and pattens dating from the 12th or 13th century and the latest a modern chalice and patten made by Desmond Clen-Murphy in 1955.

The Treasury is on the east side of the north transept. It will normally be open from soon after Easter each year until the *end of October*, but can be reopened for special groups during the winter.

Royal gala at Welsh theatre

The Queen and the Duke of Edinburgh will attend a royal gala at the Clwyd Theatre, Mold, on Friday, May 21. This is in aid of Welsh youth charities. The programme will consist of a concert by the BBC Welsh Symphony Orchestra and Emlyn Williams as Dylan Thomas.

Seats are £7.50 each and available from the Department of the Chief Executive, Clwyd County Council on receipt of written applications.

·k theatre

Catching up

by GEORGE OPPENHEIMER

suddenly become a *a particularly dis-* ason. Revivals, as l. To celebrate the of our divorce from r' Country, the of the better act- ies, has exhumed an plays (two one- ng as one). They *s Full of Cotton* by Williams, coupled *m of Two Mondays* Miller, *They Knew Wanted* by Sidney *ret Service* by Wil- and *Boy Meets Girl* Sam Spewack. *vice* is a Civil War that *served* its many years in the of a Union spy, Confederate officer, oting his spying by ve with a Southern play has been h tongue imbedded cheek that it be- e rather than what been a fairly enter- drama. *Boy Meets* ted Hollywood farce h all the fury and melodrama.

two were great s. *37 Wagons*, the ylet, is a *sultry* and ry of a conniving usband, his young ife and a womaniser d her body in order e husband's having a cotton mill. The cter was extremely it hardly worth the a rather drab and uneventful tale of what goes on in an auto repair workshop on two successive Mondays with a hireling who is purported to be young Miller in this autobiographical fragment. As for *They Knew What They Wanted*, it is an old fashioned comedy-drama of a mail-order bride who falls for the wrong man, mild but *pleasant and well acted*.

A quarter of a century or more ago Ruth and Gus Goetz dramatised Henry James's *Washington Square* under the title of *The Heiress* and made it into a successful play with Wendy Hiller as the central character. Now that fine actress, Jane Alexander is *playing the heiress and doing* it supremely well. David Selby is first-rate as her fortune-hunting suitor and Richard Kiley is excellent as her father who sees through the suitor but cannot convince his loveless daughter that she is being deceived.

A handsome production and topnotch acting make this one of the better entertainments of the season, although it starts at snail's pace and only gathers speed at the *beginning* of the second act. However, Miss Alexander and company make up for the flaws.

The Royal Shakespeare Company has brought over its production of *Henry V* with Alan Howard as the monarch. I found it somewhat too blustery and Mr. Howard somewhat too abrasive. However, I seem to be fairly alone in my opinion.

The best of all the revivals was and still is *Who's Afraid of Virginia Woolf?* with Coleen Dewhurst and Ben Gazarra as Martha and George, the sparring husband and wife of Albee's powerful and exciting play.

Unlike other versions, husband and wife are well matched instead of the customary domination by the wife. Albee has directed and brought out more of the humour to good effect. Both Dewhurst and Gazarra are giving magnificent performances.

The Old Glory is a trilogy of Robert Lowell plays—*Endecott and the Red Cross*, *My Kinsman, Major Molineux* and *Benito Cereno*. The first two are adaptations of Stories by Nathaniel Hawthorne and seem hardly worth the effort. *Endecott* is a kind of folk pageant of American history with Puritans, Indians, May Day revellers and other early American settlers or those who are being unsettled. Brian Murray has directed in rather too leisurely style and Lowell has made it even more pedestrian with some heavy-footed poetry. Murray staged *My Kinsman* in *commedia dell'arte* fashion but without commedia or arte. It relates the struggles of a young yokel to discover his supposedly prominent kinsman only to find that he has been tarred and feathered for holding pro-British sentiments at a time of seething rebellion.

Benito Cereno from a story by Herman Melville, almost makes up for the first two mishaps. It is a tale of the 1800s, of an American ship that comes upon a foundering Spanish ship only to discover a sick captain and a crew of blacks that turn out to be slaves who had been on their way to the slave marts but have mutinied and taken over. There are some good solid performances under the direction of Austin Pendleton and some keen suspense, excitement and action. The main trouble is that it is the last of the three plays and, by the time it arrives, you are almost ready to leave. The production is under the auspices of the American Place Theatre, an organisation that *seems to have a catholicity of* bad taste.

Of the new plays there is *Monty Python Live*. I cannot report fairly on this since my seats were so bad and the fledgling audience so noisy that I lost most of the dialogue. What I saw (one act) of the silent por*tions, including movies, seemed* to me highly comical but I was finally driven into the night by the aficianados who behaved as if they were attending a bullfight or a wrestling match, screaming with laughter before laugh lines and generally disporting themselves in an unsporting manner.

We finally come to one of the only new dramas of the season. Joseph Papp has mounted a production of *Streamers* with scant credit to that excellent Long Wharf company in New Haven where it originated. Its author David Rabe, is one of our best new American playwrights, but *he has not added to this stature* with this violent, badly constructed drama. Granted, it is a powerful tract against war but its action becomes so unbelievable that it loses power and conviction.

Its scene is an army barracks with three men in one room—Billy, a decent young man (Paul Rudd), Richie, a homosexual (Peter Evans) and Roger, a black (Terry Alexander). Into their loves comes the drunken and rebellious Carlyle (Dorian Harewood) looking for solace and companionship. When he makes a pass at Richie and finally manages to tempt him (highly improbable that the sensitive Richie would give a second thought to this boorish, ignorant, unkempt man), Billy tries to throw him out of the room. In turn, Carlyle goes berserk, furious at rejection, and proceeds to stab one man and kill another.

Only the acting and the fine direction by Mike Nichols manages to redeem, in part, the unlikely proceedings. There is power and excellent dialogue as further virtues, but *Streamers* is too unconvincing for a worthwhile play.

WORLD TRADE NEWS

Big rise in Soviet trade

MOSCOW, April 28.

THE SOVIET Union more than doubled its foreign trade between 1970 and last year, when turnover totalled Roubles 50.7bn. (£36.2bn.), Tass said to-day. The volume of Soviet trade with industrialised non-Communist countries increased from Rs.4.7bn. to Rs.15.8bn. (£3.3bn. to £11.2bn.) over the same period, it added.

The Soviet news agency, which gave trade turnover for 1970 as just over Rs.22bn. (£15.7bn.) was quoting from a newly-published statistical year book, The USSR in figures in 1975.

Communist countries accounted for more than half Soviet foreign trade, with a turnover of Rs.28.6bn. (£20.4bn.), it said. The figure for trade with the developing countries was Rs.6.3bn. (£4.5bn.), compared with Rs.3bn. (£2.1bn.) in 1970, it added.

Reuter

W. Germany takes hard line on Unctad

BY ADRIAN DICKS

BONN, April 28.

WEST GERMANY, the world's third largest importer of raw materials, will enter the fourth United Nations Conference on Trade and Development (Unctad IV) in Nairobi next week firmly opposed to the "integrated programme" of commodity agreements that is expected to form the cornerstone of the developing countries' demands.

Instead, West Germany will emphasise its willingness to increase assistance of all kinds to the developing countries on a case-by-case basis. Officials here concerned with drawing up a German negotiating position stress that this will be their attitude not only towards moves to establish commodity agreements but also towards the wish of many developing countries for a global approach to the problems of third world debt.

The West Germans are hopeful that on both subjects the conference will be able to make concrete progress. But they are convinced that this will only be possible if the more radical developing countries drop what are termed "unrealistic" demands and agree to concentrate on pragmatic discussions of debt, commodity and other matters in the working groups that will form the meat of the proceedings.

The German approach, which is consistent with the Coalition Government's free market philosophy of international trade relations, thus appears much closer to the U.S. position than it does to the views of a number of the country's partners in the European Community. For all that, the Germans insist that they have not given up hope of a common position on the part of the nine on at least some items on the Unctad IV agenda, notably technological transfer and trade preferences.

Germany's opposition to commodity agreements as a means of transferring real resources from rich to poor countries stems from several sources. Although the harmful effects of present fluctuations in raw materials prices are fully acknowledged here, the German view is that the solution to this problem lies in the type of overall earnings guarantees embodied in the Lome agreement rather than in attempts to control world prices for individual commodities.

It is also pointed out here that the main beneficiaries of higher prices would be such countries as Canada, Australia, South Africa and the U.S. These developed raw material exporters account for some 55 per cent. of the Federal Rpublic's needs.

Electricity Council consultancy

By James McDonald

IN A move to strengthen further it overseas consultancy services, the U.K. electricity supply industry has formed a new company, British Electricity International, as a wholly-owned subsidiary of the Electricity Council.

Mr. David Fenton, managing director of the company, said yesterday that the overseas consultancy service had proved profitable since its formation in 1970. Profits initially had been in the "five figure" region but last year had reached "six figures." He regarded the major overseas markets as: the Middle East and South America, "where we are making a breakthrough."

The overseas consultancy service—which last year covered about 50 projects and at present has 30 on-going projects—has about 200 people overseas on secondment from regional electricity boards. It represents not only the electricity supply industry in England and Wales but also the two boards in Scotland and the Northern Ireland Electricity Service

The aim of the service is to meet the varied and increasing number of requests for assistance from electricity undertakings and governments overseas by providing a fully-comprehensive service covering all aspects of electricity supply.

World Car Markets

U.K. fails to bridge motor trade imbalance

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPO[NDENT]

THE BRITISH motor industry has failed conclusively to fill the developing and unfavourable gap between its car imports and exports in the first quarter of this year

Figures released by the Society of Motor Manufacturers and Traders yesterday show that car imports in the first three months of the year cost the country £174.9m., a rise of 45 per cent. on the same period last year, while exports earned only £147.3m., a rise of 22 per cent.

But against this discouraging result must be set the further healthy progress of both the commercial vehicle and component sectors. Commercial vehicle exports in particular are continuing to rise at a remarkably rapid rate, with products in the under three ton range earning £36.6m. in exports—a rise of 60 per cent. on last year—and larger vehicles £100.1m.—a rise of 53 per cent.

Imports of heavy commercial vehicles, on the other hand, have actually dropped off during the first quarter, down to £18.2m. (a loss of 4 per cent.); and imports of the light... increased to £5.3m. (up ... cent.), this rise was on ... small base

In the components se... ports increased to £349... 36 per cent.), as against ... of £102.8m. (up 26 per ...

The buoyant British ... ance in commercial veh... components shows the ... the Government faces ... renewed speculation a... possibility of selective ... controls on cars. As th... industry has stated in ... there is a considerable ... this could lead to coun... action and several secto... industry would be highl... able to this.

Overall, counting in... products such as dum... tractors and caravans, th... motor industry had a f... balance of exports ove... in the first three m... £461.6m.

Last month the bal... £174.1m., an increase ... cent. over the same p... year.

CBI agrees on Japan links

By Charles Smith

TOKYO, April 28.

THE CONFEDERATION of British Industry (CBI) and its Japanese opposite number, the Keidanren, are to establish a "hot" telex line in an attempt to keep each other more up to date on the U.K. and Japanese economic situations.

They are also to hold a second "summit" meeting of the organisation's leaders in London before the end of November. Those were two decisions announced to-day at the end of the Tokyo meeting between Mr. Toshio Doko, the Keidanren president, and a group of CBI officials headed by the president, Sir Ralph Bateman.

● Plessey Semiconductors, of Swindon, has won a 1¼m. unit order for the supply of radio communications circuits to a major Japanese communications equipment manufacturer. Delivery of the order starts in the spring of 1976.

Indonesia investment deal

BY OUR ASIA CORRESPONDENT

INDONESIA and the U.K. have signed an agreement for the promotion and protection of investments in each other's territory.

The agreement, says the Foreign Office, "provides for fair and equal treatment and full protection and security to investments made by nationals or companies of both parties in the territory of the other party. In the event of expropriation, it provides for prompt, adequate and effective compensation."

The U.K. is negotiating a series of such investment protection deals with developing countries, and the Indonesia one is the fifth. Agreements with Egypt, Singapore and South Korea have come into force in the past year, and one with Romania was signed last month and awaits ratification.

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More scope seen for U.K. exports

By Lorne Barling

MANY BRITISH manufacturing companies with a turnover of more than £1m. a year should be exporting their products but are not doing so, according to a report on the performance of exporters.

It suggests that there could be as many as 12,000 U.K. manufacturing companies which are potential exporters and could benefit the balance of payments by nearly £700m. a year.

The report, prepared by the newly formed conference organising company Lenofern, claims that a high proportion of these companies should enter the export market.

The company's chairman, Lord Kingston, said there was also a danger that once the oil deficit is eliminated by the flow from the North Sea, the export drive may diminish.

Lenofern is to become part of a syndicate to establish an export centre in London, aimed at providing exhibition and export service.

Record Japanese sales

TOKYO, A[pril 28]

JAPAN EXPORTED a record 2,994,169 vehicles in the year ended last March, 16.3 per cent. more than the previous record 2,575,397 units in fiscal 1974 following flourishing sales in the U.S., Middle East and Europe, the Japan Automobile Manufacturers Association said.

Vehicle exports in fiscal 1975 were valued at $8.09bn., up 28.7 per cent. from fiscal 1974, accounting for 14.2 per cent. of Japan's exports for the year. Shipments to the U.S. rose 20.8 per cent. from the year ago level, the Middle East by 55.8 per cent. and West Europe by 33.7 per cent.

The 1975 total comprised 2,085,517 passenger cars, up 26 per cent. from fiscal 1974, 893,108 trucks, up 0.5 per cent., and 15,544 buses, down 15.8 per cent., the association said.

Reuter

French recovery

FRENCH car production in March strikingly reflected the general recovery of the economy, exceeding last year's figure for the same month by more than 41 per cent., Robert Mauthner writes.

Altogether, 275,526 passenger and small commercial vehicles were produced last month, compared with 194,946 during the same period of 1975. The results, however, were somewhat distorted by the fact that there were three more working ... March this year than ... 1975, when industrial ... also affected productio[n] ...

Nevertheless, it is ... the French motor indus[try] ... well on the way to reco[very] ... duction during the fir[st] ... was 20 per cent. up ove[r] ... period last year and ne[w] ... tions increased by mo[re] ... per cent. In March ... registrations reached ... units, nearly 42 per c[ent] ... the same month last y[ear] ... tedly the poorest Mar[ch] ... registrations since 196...

MERICAN NEWS

:xpected fall in). index of leading nomic indicators

BELL WASHINGTON, April 28.

IDEX of leading
:ators, which in the
oved an accurate
nomic trends, fell
the first time since

: Commerce depart-
d to-day that one
s may have very
l significance, the
i many analysts by
index fell 0.4 per
h after a 0.7 per
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11 indicators used
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t rose. New orders
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entory build-up is
ace, and building permits and stock prices were also up.

Perhaps the most puzzling aspect of the picture painted by the index is the decline in the average work week which, although not very substantial, is something of a surprise since the economy is supposed to be expanding rapidly and overtime ought to be increasing. Some economists are already suggesting that this may be a preliminary indication that unemployment is not going to fall as fast in the next few months as it has in the past which could mean some political embarrassment for President Ford.

The index is not yet predicting any surge in capital spending, and with the economy still running well below capacity this is not surprising. Most analysts do not expect to see an increase in new orders for plant and equipment until later this year and the administration is hoping that it will help prolong the current recovery well into 1977. After this month's fall Mr. Ford's economists will be watching very closely to see if the index resumes its upward movement next month.

rise over Kissinger ment on chrome

WN CORRESPONDENT WASHINGTON, April 28.

Kissinger's promise
for repeal of the
nent, under which
es are allowed to
sian chrome despite
took both Govern-
and U.S. industry
it became clear

ry of State attacked
nt yesterday during
ch in Lusaka, but
ind it more difficult
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repeal Senator
re, which has been
y challenged several
It is understood
the State Depart-
Commerce Depart-
expecting such a
ack on the Amend-
industry sources
at they too were
surprise by Dr.
emarks. Industry in
s made no secret of
t continued imports
ian chrome are
U.S. industry is to
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ted States relies
nports of Rhodesian
African chrome and is acutely aware that together the two countries control about 96 per cent. of the known world reserves of the substance. Last year the U.S. imported about 30 per cent. of its chrome — either in the form of alloy or unprocessed — from Rhodesia

Supporters of the Byrd Amendment have long maintained that the UN boycott of Rhodesia is illegal, that Rhodesia poses no threat to the world which would justify such a boycott and that not to import Rhodesian chrome would force the U.S. to rely on Soviet supplies which could be very unwise. Although its importance is not always recognised, chrome is a vital element in the production of a variety of high quality steels which have an important strategic and industrial role.

Beyond this, Sen. Byrd believes that most other Western countries would ignore the U.N. sanctions which would force the U.S. to pay higher prices for the chrome and have little practical adverse effect on the Rhodesian economy.

Congress passes Aid Bill

Congress to-day ignored the threat of a Presidential veto and passed a 3.17bn. Foreign Aid Bill, David Bell writes from Washington. The Bill includes $2.23bn. for military and economic aid for Israel which is about $500m. more than President Ford wants. While Congress claims that the extra money is to take account of the transitional quarter—the period between the end of this fiscal year in June and the start of the next in October—the Administration is unconvinced and has repeatedly said that the Bill undermines its ability to conduct its own foreign policy and gives Israel too much aid. Mr. Ford has been seeking to replace the $500m. of grant aid with some $330m. of Government backed loans to the Israelis.

Rubber strike talks

The United Rubber Workers' negotiations with Firestone Tire and Rubber broke off when union negotiators walked out of the meeting, Firestone said, Reuter reports from Cleveland.

IMF walkout

Nearly 1,400 International Monetary Fund staff workers walked off the job yesterday in a one-day "work stoppage" protest over wages.

Last Wednesday, the Board of Directors of the 128-Country Fund, voted to give IMF employees a 5.8 per cent. salary rise, substantially less than the 8.8 per cent. increase originally asked for.

More grain sales

The Agriculture Department said the Soviets will buy another 2m. tons of corn and wheat, reports AP-DJ from Washington. This latest purchase is in addition to a 1.4m. metric ton purchase of corn announced earlier yesterday.

Panarctic estimates

Panarctic Oils, the federal-private consortium, has raised its estimate of Arctic islands gas reserves to 15,000bn. cubic feet, about twice the reserves publicly revealed in the Mackenzie delta so far, our Montreal correspondent writes. Panartic said the increase has occurred because of recent discoveries in the Hecla field, Melville Island, and a new offshore find from Ellef Ringnes Island.

However the new reserves estimate is still short of the amounts required for the Polar Gas pipeline project down the west side of Hudson Bay, to go ahead. Polar Gas has estimated 25,000bn. cubic feet reserves would be required to make the line economic.

Dearer petrol

The Canadian Government has estimated that energy prices must increase sharply in the next two years by up to 25 cents a gallon for petrol and heating fuel, our Ottawa Correspondent writes.

Political and trade row likely during Geisel visit

BY HUGH O'SHAUGHNESSY

INCREASING controversy on trade, political and humanitarian questions seems certain to cloud next week's state visit to Britain by General Ernesto Geisel, the Brazilian President.

Yesterday the Department of Trade announced tough measures to curb the dumping of men's leather shoes in the British market by subsidised Brazilian concerns. From to-day a "provisional charge to countervailing duty" of 16 per cent. is being imposed on imports of Brazilian men's shoes, boots and mocassins, pending a full investigation by the Department of dumping allegations made by manufacturers in Northamptonshire. The charge will be refunded to importers if the allegations are not upheld.

The move was welcomed by the British Footwear Manufacturers' Federation which pointed to the fact that last year Brazil exported to Britain 1m. pairs of shoes at an average landed price of £3. "Brazilian imports are attacking the heart of the British footwear industry," a Federation spokesman said yesterday.

The timing of the Department's move, coming as it does on the eve of the Geisel visit and shortly after a decision in Washington to strengthen the U.S. footwear industry in the face of very large influxes of Brazilian shoes, will cause disappointment in Brazilian official and industrial circles. Brazil has made strenuous efforts to develop shoe exports taking advantage of plentiful local supplies of leather.

Meanwhile in the humanitarian and political field the temperature has been rising in the wake of the Brazilian decision to cancel an offer of a meeting between the General and his British critics.

A delegation composed principally of Labour MPs had a long interview with Sr Roberto Campos, the Brazilian ambassador in London yesterday. The atmosphere was described as stormy.

After the Labour Party decision to call for the boycott of events connected with the visit, at least one Minister is known to have refused an invitation to a banquet next week in General Geisel's honour and one or two other Ministers may follow suit. The state visit which starts on Tuesday is expected to be marked with pickets and protests on the lines of those mounted during the Geisel visit to Paris this week. There is also a possibility that the visit may be affected by industrial action by trade unionists.

Report attacks CIA, FBI 'abuses'

BY DAVID BELL WASHINGTON, April 28.

THE SENATE Intelligence Committee to-day released the second of four reports on the domestic activities of the variety of U.S. agencies responsible for U.S. security and called for much tighter surveillance to prevent any repetition of the "manifest abuses" of the past 30 years.

The report contains few new revelations but is an impressive and exhaustive catalogue of the activities of many agencies, particularly the FBI. Repeatedly, the Committee says, Presidents and others have overstepped the bounds of legality by allowing the FBI to maintain over 480,000 files on "subversives," approving the CIA's opening of hundreds of thousands of letters at random and tacitly condoning the harrassment of men like Martin Luther King, the investigation of whom "violated the law and fundamental human decency."

Apart from the FBI, the report also chronicles illegal operations by the CIA, the Internal Revenue Service, the National Security Agency and other intelligence gathering arms of the Government. It recommends the setting up of a new Congressional committee with broad oversight powers, although that proposal has already run into trouble on Capitol Hill. It also makes 95 other recommendations and urges the Justice Department to keep a much more effective eye on the FBI than in the past—suggesting that all but the most urgent wire taps and other forms of electronic surveillance should require a judicial warrant. It adds that FBI investigations should be limited only to "terrorist and hostile foreign intelligence activities."

The report talks of a "war psychology" pervading many of the agencies and notes that the FBI has maintained a filing system specifically designed to be destroyed as soon as anyone asked embarrassing questions about it. "The primary concern was efficiency, not legality or propriety," notes the report.

As a compendium of remarkable statistics the report can hold its own with earlier revalations. It tells of Internal Revenue Service "political files" on some 10,000 people, of illegal FBI taps on hundreds of thousands of phone and telex messages and of repeated attempts attempts by the FBI to stimulate "gang warfare" between rival political groups in an effort to discredit them. The next part of the report, dealing in greater details with Dr. Martin Luther King, is to be published soon.

Treasury raising $6.25bn.

BY OUR OWN CORRESPONDENT WASHINGTON, April 28.

THE TREASURY this afternoon announced plans to raise a total of $6.25bn., $4bn. of which is intended to finance repayment of securities maturing next month. The remaining $2.25bn. of new money is part of the $9-12bn. that the Treasury expects to have to raise between now and the end of the fiscal year in June.

Mr. Edwin Yeo, the Treasury Under Secretary, said that the Treasury has now revised downwards its estimate of the deficit for the second half of the fiscal year to somewhere in the range between $31bn. and $35bn. compared with the $35bn. to $40bn. which was estimated earlier this year. This was largely due to the fact that a "whole variety of Government expenditures was lower than expected, he told a Press conference.

At the same time he estimated that the Treasury will need to raise between $15bn. and $20bn. for the transitional quarter from June to September as the new fiscal year does not start till October. Mr. Yeo said that the Treasury hopes to end this fiscal year with a cash balance of some $12bn. to help even out the financing over the next few months.

"What we are seeking is to construct a balanced debt structure, one that will not provide a legacy for the future in terms of massive amounts of short-term finance resulting in the Treasury being in the market constantly in very big size," he said.

BOSTON'S BUSSING CRISIS

Race tensions increase again

BY GORDON WEIL

LAST AUTUMN, when tensions were high in Boston because of school bussing, the Boston Red Sox began to win baseball games and almost took the World Series. The bussing controversy was put aside as the city unified in support of the team.

This spring, at the start of a new baseball season, the Red Sox are barely winning more games than they are losing. As a result, many people in Boston can devote their full attention to the troubled relations between blacks and whites. In that struggle, there is no new season and frustration can only deepen.

Attack

The start of the latest series of events which have shattered the fragile peace in Boston occurred a few days ago. A black lawyer was hurrying across the broad plaza in front of City Hall on the way to a meeting of community leaders, called to explore ways of easing tensions in the schools. Suddenly, a crowd of white demonstrators, who had been milling around City Hall, attacked the black man. In the presence of news cameramen who were covering the demonstration, the whites beat the black to the ground. The weapon of their wrath was an American flag and pole.

The picture shocked many across the country, but it triggered even stronger reactions in Boston. Blacks who had only grudgingly gone along with the efforts of moderate leaders to seek an accommodation with whites were furious. The next evening a group of black youths pulled a white man from his car, stopped for a red light, and bludgeoned him into a coma from which he has not yet recovered. Several times each day since then, innocent blacks and whites have been the targets of racial violence.

Local authorities seemed unable to stem the tide of violence. Extremists on each side view Mayor Kevin White as favouring the other side. Before attempting the almost certainly futile attempt to bring a degree of order by a massive display of police force, Mayor White called for a "Procession Against Violence" to be held last Friday. Even before that match could take place, violence took a quantum leap forward.

On Friday morning, as a throng of people waited for an elevator in the Suffolk County Courthouse in Boston, a bomb exploded. At least 19 people were injured, two critically. London is more familiar with such bombings than is Boston. This is the city which Mayor White has called, with some justification, "one of the most livable cities in America." Thus, the shock wave of the explosion extended far beyond the Courthouse hallway. When the "Procession Against Violence" took place, a crowd of over 50,000 attended. The hospital where the bomb victims were taken was packed with hundreds of people, black and white, who wanted to donate blood.

The leading White anti-bussing figure, City Councilwoman Louise Day Hicks, also accused the city of a cover-up. She claimed that the march was designed to cool passions so that all would accept the Federal Courts' bussing decisions.

Notably absent from the platform at the end of the procession were the State's political leaders. Because their attempts to speak might only have provoked new outbursts, they left the exhortations against violence to the clergy. But they were present in the crowd.

Limelight

The last time Senator Edward Kennedy had made a public appearance in City Hall plaza he had been pelted with eggs and curses. At the procession, those attending were his people — middle-class blacks and whites and well-paid blue-collar workers. There was no trouble this time. Sen. Kennedy faces re-election in November and his polls have shown him well ahead of any possible Republican opponent. It has appeared that most people in Massachusetts are willing to overlook his pro-bussing views in order to keep him in the national limelight.

But the Republicans who have been prepared to concede him the election are now taking a second look.

With the bussing controversy certain to heat up this autumn when the schools reopen and the political campaign is under way, the immediate need is for aggressive action to stop violence. The State has created a "special violent crimes unit," under the direction of Attorney-General Francis Bellotti. Its initial investigations indicate that the Suffolk Courthouse bombing was not caused by racial tensions but may have been a protest against prison conditions.

EUROPEAN NEWS

President seeks talks to settle crisis in Portugal

BY PAUL ELLMAN LISBON, April 28.

PRESIDENT COSTA GOMES to-day called for urgent talks with Portugal's political leaders aimed at settling a dispute which threatens to bring down the country's present caretaker Government.

The crisis has been sparked by a threat from the Popular Democrats, who emerged in second place in last Sunday's general election, to leave the sixth Provisional Government unless the Communists are expelled.

Under the terms of the new Constitution, the present Cabinet, headed by Admiral Pinheiro de Azevedo, is to remain in office until presidential elections are held this mid-summer. Dr. Francisco Sa Carneiro, the PPD leader, has however, insisted on the expulsion of the Communists, who hold one seat in the Cabinet, for their "undemocratic" behaviour.

The two PPD members of the Government, Senhor Rui Machete, the Social Affairs Minister, and Sen. Magalhaes Mota, the Internal Trade Minister, both stayed away from to-day's Cabinet meeting. A Party spokesman, however stressed that this did not mean that the threat to quit had been carried out, explaining that it was thought "more appropriate" for the two to stay away until the crisis is resolved.

The crisis talks at the Presidency caused to-day's scheduled meeting of the Revolutionary Council to be postponed until to-morrow in order to allow President Costa Gomes to prepare his assessment of the situation.

The military leadership has already found itself under considerable pressure as a result of Sunday's vote because of a declaration by the Socialist leader, Dr. Mario Soares, who came first with just under 35 per cent., that he will either govern alone or not at all when the next government is chosen by the new Head of State in July. Dr. Soares, by indicating that the Socialist Government would also include "independents" and military men, has in effect invited the military to put a brake on their slow march back to their barracks.

Another move of a similar kind came to-day from the PPD, which suddenly announced it was endorsing the Army Chief of Staff, General Ramalho Eanes, for the Presidency. (Dr. Sa Carneiro's earlier favourite was Brigadier Pires Veloso, the Commander of the Northern Military Region, who has declared himself a candidate.)

The PPD announcement was, however, greeted with a frosty response from General Ramalho Eanes' staff, who said there had been "not contacts" between the two sides on the matter.

General Ramalho Eanes, who has begun the painful task of restoring what he likes to call the "cohesion" of the army after two years of political turmoil which sapped its morale and its effectiveness, has made it plain that he does not consider himself a contender for the Presidency and that the only circumstances in which he would re-consider his position would be if General Costa Gomes decided to seek another term.

General Ramalho Eanes, in an interview, to-day indicated that he was not against the Presidency going to a civilian so long as the main in question could "securely guarantee national independence."

Arias offers general election

BY ROGER MATTHEWS MADRID, April 28.

SPANIARDS were to-night offered the prospect of a referendum on constitutional reform in October and general elections to a lower House of Parliament in the early part of next year. In a 45-minute televised broadcast to the nation, Sr. Carlos Arias, the Prime Minister, said these events would be dependent on the Cortes, the parliamentary-style body formed under the dictatorship of Gen. Franco, giving approval to the necessary legislation.

At the same time, the Prime Minister warned that a break with the past would not be tolerated. "Continuity and reform are complementary concepts," he said. "There is no reform without continuity, and without reform continuity is not possible."

His speech, heralded as a major political occasion, will satisfy neither the opposition parties nor the entrenched Right-wing. Equally, his refusal to give firm dates for a referendum or general elections will displease the more reformist members of the Cabinet, one of whom had been confidently predicting a referendum before the end of June.

King Juan Carlos and his closest allies within the regime are known to be anxious to replace the Prime Minister and it seems likely that to-night's speech will add weight to the anti-Arias lobby.

The two main points of Sr. Arias' speech, the possibility of a referendum and the two-tier Parliament, had already been revealed by Sr. Manuel Fraga, the Minister of the Interior, and Sr. Areilza, the Foreign Minister two months ago.

But for the first time the Prime Minister announced that the three basic reform laws affecting the right of political association and demonstration would be sent to the Cortes by May 15, while the new electoral law would be submitted by July 15. He hoped and expected that the Cortes (which has been showing serious signs of resistance to the government's reform programme) would see the way clear to giving its approval.

Although this legislation would theoretically clear the way for the establishment of political parties, Senor Arias once again refused to use the term.

More ominously, when referring to possible elections to the lower house of Parliament he said its members would be "representatives of the family elected by direct, secret and universal suffrage." This would appear to continue the present Cortes system whereby one-fifth of the Chamber is composed of elected "heads of families."

The Upper House, or Senate, would inherit the functions of the present National Movement—Spain's only permitted political organisation that brings together the forces that supported General Franco during the Civil War, with the addition of certain members appointed directly by the King.

Senor Arias did not specify what powers the two houses would enjoy or whether the composition of the Government would be affected by any elections.

His speech was also punctuated by bitter attacks on the "subversive" opposition, that was threatening the achievements of that "great captain" Gen. Franco who had brought Spain peace and prosperity.

All measures necessary would be taken to thwart their totalitarian aims, he said, adding that their activities had been financed from abroad.

Bonn confronts the Italian conundrum

BY NICHOLAS COLCHESTER, BONN CORRESPONDENT

IT IS a paradox that the Social Democrats, the most Left-wing of the three liberal parties that the West German voter is bound to choose from, are suffering most as the possibility grows that Communists will form part of the Italian Government. To preserve its self-respect in German eyes, the ruling Social Democratic Party has had constantly to disassociate itself from Communism. Now its leaders are faced with an unavoidable question: How must they react if Sig. Enrico Berlinguer and his party, the PCI, make it?

West Germany is allergic to Communism. It is not just a question of general preference for the other ideology. Communism is the stuff of which the division of the nation is made, the enemy whose military strength sits on the Eastern frontier. Indeed, until now Communism has proved a useful evil in the rejection of which all three parties could demonstrate their devotion to German democracy and law and order. A brisk blast of anti-Communism was a unifying therapy without side-effects. Soon, such therapy could have divisive consequences, for Nato and the EEC.

Understandably, Chancellor Helmut Schmidt has not been eager to face up to this possibility in public. He has called the question of Italian Communism hypothetical and has argued that to discuss it is to meddle in the affairs of other countries. Yet the question becomes steadily less hypothetical and the threat works to the disadvantage of the SPD as a finely-balanced general election approaches.

The easiest solution to the problem would be that it went away. The German Government has done its best here. It has provided, or guaranteed, a generous amount of loan support for the lira—starting with the day in summer 1975 when Herr Schmidt's very German delegation sat bemused amid Italian wine and laughter at Bellagio and signed away $2bn. It has continued its exemplary management of the German economy. The Chancellor told parliament recently that "whoever adjusts his social system and his economic system in time to the needs of to-day and to-morrow does not need to consider a compromise with Communism." The Germans have achieved this, but the Italians have no time.

Just before Easter, the Chancellor forgot his reticence in commenting on other people's affairs and underlined what he had meant in Parliament. There was, he said, "a land that has been ruled for 30 years by Christian Democrats and where the Prime Ministers were always Christian Democrats, but the social relationships are not right in their land. . . . It is a land in which one is worried, over which indeed the whole world expresses its worries, exactly as one worries in the Iberian peninsula. . . . the weakness in Europe at the moment is the political weakness of several governments."

The message for the German electorate was plain: Christian Democracy is old fashioned and leads to social unrest, and through unrest to Communism —vote accordingly in October. It also showed how Herr Schmidt would have to appeal to Europe's problems to demonstrate the success of his own government. Italy's instability was to be compared with German stability. The growing disparity between European economies was to mirror the achievement of the Schmidt government in leading Germany out of inflation and on towards more prosperity.

The strong are said to be lonely and one must sympathise with West Germany in its position of strength. Here is a country preaching modern democracy and social market capitalism to neighbours that beat dictatorship out of it and pointed it in the right direction 30 years ago. These two ideals, together with that of Europeanism, are the three ideals that Germans have drummed into themselves since the war. Now they find that the European ideal threatens to mean rather less of the other two. As the Finance Minister, Herr Hans Apel, said recently: "the big problem is that the Germans are quite simply too good. The permanent good example makes the others ill."

> "Whoever adjusts his social system and his economic system in time to the needs of to-day and to-morrow does not need to consider a compromise with Communism."
>
> Chancellor Helmut Schmidt

In his Europe speech to the Bundestag, the Chancellor made it clear that Germany intended to stick to its goodness. He said that Germany could not compromise its anti-inflation policies because to do so would endanger its social and economic stability. Germany's economic policy was "exemplary" and must stay that way.

Yet despite Herr Schmidt's confidence in the rightness of this policy and in the German social system that keeps Communism at bay, he also stressed that Germany had no claims to leadership in Europe. "We do not have and should not have the ambition to take over an independent role in world politics," he said. This is a sentiment that the Chancellor has repeated several times since with increasing emphasis. It is a sentiment that one hears repeated often in Bonn as Germany's de facto leadership becomes ever clearer.

What does Bonn fear in this respect? Firstly, it wants to prevent West Germany becoming "America's stick in Europe," as one diplomat put it the other day. The Foreign Minister, Herr Hans-Dietrich Genscher, explained recently: "I say this with great seriousness. No one can have an interest in the Western Defence Alliance becoming, de facto, a two-sided alliance between the U.S. and the Federal Republic of Germany."

The sort of vision that disturbs Bonn is one in which America will have nothing to do militarily with Italy and Portugal, in which France's separation from America has been increased either by matching left-wing tendencies or by a Gaullist backlash to them, in which Germany must act as a sort of broker between the U.S. and this incoherent Europe in order to prevent Europe's front line defence boiling down slowly to the German armed forces as the economic or political willpower of its allies evaporates. In parentheses, one should add that this vision highlights the importance to West Germany of Britain in the EEC.

Secondly, there is the fear that Germany should appear to dominate Europe economically and for its own ends. The stro[ng] underpinning of Germ[an] Europeanism remains the [...] that Europe is indispensab[le] [...] its own wealth. Both the C[han]cellor and the Foreign Mi[nister] have stressed recently that [Germany] is prepared to make fina[ncial] sacrifices for Europe, that [...] sacrifice the fruits of Germ[an] economic system without [sacri]ficing the system itself. "Na[tional] egotism would now be the [...] adviser," said Herr Gen[scher] "and it is not right to spe[ak of] ourselves as the milch-co[w of] Europe."

Thirdly, there is the fe[ar of] nationalism itself. The [...] here is that with nazism sli[pping] into history, and now that [a tem]porary solution to the qu[estion] of divided Germany has [been] achieved, West Germany [will] become self-assertive again [...] association between nation[alism] and totalitarianism remai[ns] strong for its revival to be [...]able. Yet the fact is t[hat a] benign form of nationalism [is an] inevitable consequence o[f Ger]man success, for this [...] has created values that Ge[rmany] now feels it must defend.

For the moment the G[overn]ment's answer to the forc[es that] threaten to make Germ[any] leader is continued insiste[nce on] European union, on the Eu[ropean] parliament, on the creat[ion of] Europe-wide political [...] West Germany still hopes [to sub]merge itself in its old id[eal] the old alternative to re[...]tion.

Yet recent political d[evelop]ments in Europe make the [...] of this enthusiasm un[...] West Germany has de[...] and proved its own way [...] itself. It has an obsessi[on with] internal security. It sti[ll feels] that it must quash both [ends of] its political spectrum. [Is it] really ready to pour these [...] into the melting pot of E[uropean] politics?

U.S.-EEC resume trade discussions

BY DAVID CURRY BRUSSELS, April 28.

A NEW ROUND in the series of regular consultations between the U.S. and the EEC gets under way here to-morrow with trade disputes and relations between the industrialised and the developing world the focus of discussions.

On trade, the European side will be raising the two main outstanding issues between the two sides—the American threat to restrict imports of special steels and cars. The Americans for their part are likely to seek assurances that the Common Market's compulsory scheme of incorporation of skim milk powder into animal feed will not be extended beyond the autumn.

Some of the steam has been taken out of the trade issue by President Ford's recent decision not to take action against imported footwear but to settle for assistance to the U.S. industry. This ran counter to a recommendation from the U.S. International Trade Commission calling for tariffs and quotas, but as the six-man Commission split three ways it left President Ford with scope to adopt the least offensive course diplomatically.

The situation is different in the case of special steels. Here the Commission voted four to two for a quota of 146,000 tonnes for five years. President Ford has much less room for manoeuvre here since Congress has the power to impose the Commission's recommendation.

The President has sought compromise by saying he will impose three year not five year quotas and inviting special steel suppliers to discuss quota levels and orderly marketing with the U.S. to try to work out a flexible and fairly minimal system of restrictions. Preliminary contacts have been made and there may well be an intensification of discussions.

There may also be the preliminary finding in the most crucial investigation of all—a U.S. Treasury investigation into alleged dumping of foreign cars from eight countries, including all the big EEC producers, due to disclose its findings by May 11. If it finds that dumping has taken place, the ITC will proceed to an investigation into whether the U.S. industry has suffered damage. The EEC has insisted all along that no damage has been done to the domestic industry. There are, however, reasonably well documented cases of at least technical dumping by foreign car makers.

On the American side, the big complaint is against the EEC's compulsory skim milk incorporation order. Washington maintains that this jeopardises traditional U.S. exports of soya to the EEC for feedstuffs of up to some $2bn. a year out of annual farm produce sales getting to around $7bn.

The proposal to subsidise the creation of a small stockpile of 250,000 tons of mainly soya to maintain some continuity in import was kicked out by the European parliament, but the Americans argue that in any case this will only defer the problem since the stockpile itself must eventually be put on to the market. Brussels, which is inclined to think American objections are not as violent as that the stockpile is too small by that the stockpile is to small by relation to total imports to have much of a disruptive effect when it is released.

W. German print strike hits many newspapers

BY NICHOLAS COLCHESTER BONN, April 28.

NEWSPAPERS in many parts of Germany will not appear to-morrow because of a strike by the West German printing union, IG Druck und Papier. The industrial action is the first official strike in Germany this year, and comes late in a round of wage negotiations that has established a wage increase of only 5.4 per cent. as the norm.

As in other countries, the printers in West Germany stand at the upper end of the wage scale. However their wage negotiators have not agreed to go along with the previous settlement, but have been demanding a 9 per cent. rise with a minimum increase of DM140 a month. The employers, after arbitration, offered 5.4 per cent. for the year beginning April 1.

The strikes were called to-day after the country-wide union had taken a secret ballot of its 80,000 members and had achieved 90 per cent. support for industrial action. The German printing industry currently employs about 145,000 people, compared with 178,000 two years ago. As in other industrialised countries the printing profession has been squeezed by developing technology.

The strikes were strategically organised this afternoon. The presses of the Springer publishing house in Hamburg were stopped, thus preventing publication of Die Welt and the big German popular newspaper Bild. Appeals for solidarity on the part of journalists were also successful in some parts of the country.

A spokesman for the printing union explained to-day that a larger wage increase for printers was justifiable on two counts. First, the printers were not demanding improved fringe benefits, which increased the nominal 5.4 per cent. granted to workers in other industries. Second, the agreement would run from April 1, and would thus embrace a more profitable and perhaps inflationary phase in West Germany's economic recovery.

It would be premature to draw the conclusion from to-day's industrial action that German organised labour's faith in the Government's anti-inflation policy is waning. There has, however, been increasing attention devoted to price rises in Germany recently—particularly in the price of cars—and this situation moved the Economics Minister, Herr Hans Friderichs to warn at to-day's opening of the Hanover Fair that industry must show "responsibility and commonsense" in its pricing policy in the months to come.

UPI writes from Bonn: Employers yesterday answered a strike by printers over a wage dispute by locking out all 145,000 union employees in the West German Publishing industry.

The employers announced their decision at 1800 GMT, one hour after they shut out printers of all 450 of West Germany's daily newspapers. The printers had walked out of most newspapers and the employers locked printers out of the rest. The lockout affects all 145,000 members of the Printers Union.

A spokesman for the employers said the decision was based on the fact that the strike called by the newspaper printers seeking pay increases of at least DM140 ($54) had affected other publishing firms.

Moro plans to carry on

BY ANTHONY ROBINSON ROME, Apr[il 28.]

PRIME MINISTER Aldo Moro to-night opened the key political debate on the future of his fragile one-party minority Government with a speech in which he made quite clear that he intends to carry on what he described as the difficult and lonely task of government as long as this was possible.

He made it clear that the Government would only resign if defeated in the vote which concludes the debate. Otherwise it intended to carry on in the conviction that early elections are not the answer when there is still no acceptable alternative in sight and when the country is in the midst of a grave economic and financial crisis.

On the face of it, the Government's chances of surviving a parliamentary vote appear slim. The Socialist Party has stated that it would join the Communists and neo-Fascists in voting against the Government, while the Social Democrat, Republican and Liberal Parties are expected to abstain. But at this stage the possibility cannot be excluded that the reluctance of the Communist Party to engage in early elections and last-minute rethinking in the other parties could lead to sufficient tactical absences at voting time to allow the Government to scrape through.

> Italy's net official reserves at the end of February stood at 2,388bn. lire, down from 2,669bn. at the end of December, 1975, and less than two-thirds the reserves at the end of February, 1975, of 3,677bn., the Central Bank reported yesterday.
>
> Despite the fall from the end-1975 and year-earlier figures, there was a small gain in the reserves from the end of January, when they stood at 2,332bn. lire.

If this happened, Senor Moro made it clear that his Government intended to pursue the idea of an agreement between all the constitutional parties, all except the neo-Fascist [...] a limited emergency pro[gramme] to see the Government [...] until the normal end [of the] legislature in May, 1977.

This was the strategy [put for]ward by Republican Par[ty leader] Ugo La Malfa befo[re the] Christian Democrat Pa[rty's] expected hard line on t[he aborti]on reform issue which [contri]buted considerably [to the] deterioration in the [political] situation earlier this m[onth].

Now, however, the [Christian] Democrat Party appear[s] highly nervous about the [...] electoral consequences [of a] series of scandals alleg[edly in]volving top-level CD [...]. There has also been an resurgence of extremist violence recently, incl[uding a] knife fight and Molotov [cocktail] throwing incident in which, it is feared, coul[d lead to] further disturbances t[o]morrow—the anniversar[y of the] death of a Right-wing yo[uth last] year.

'No more spending' —Giscard

France will not make any additional expenditure this year "because the economic revival is assured." President Giscard d'Estaing told a Cabinet meeting yesterday, AP-DJ reports. The Cabinet is due to examine a draft 1978 balanced budget at next week's meeting.

Meanwhile, capital investment by French companies (excluding construction and public works sectors) should rise this year by 8 per cent., according to the results of a survey published by the official Statistics Institute.

Student clashes

Student demonstrators threw petrol bombs and stones at police, who retaliated with tear gas grenades, during clashes at Strasbourg University in which about 30 people were injured, police said yesterday. The clashes erupted after students diverted traffic into the university grounds, Reuter reports.

Student representatives voted yesterday to continue the strike that has paralysed most of France's 73 university campuses, but the decision was taken amid growing signs of division.

Paris pledge

French President Valery Giscard d'Estaing and Soviet Foreign Minister Andrei Gromyko pledged their two countries yesterday to a continued effort at tightening their political and economic co-operation,' reports NPT from Paris.

Thatcher visit

Mrs. Margaret Thatcher, leader of the Conservative Party, is to address the annual conference of the West German Christian Democratic Party (CDU) next month, the CDU announced yesterday. It will be Mrs. Thatcher's third visit to West Germany since taking over the Conservative leadership, Reuter reports.

Brezhnev for Belgrade

Mr. Leonid Brezhnev, General Secretary of the Soviet Communist Party, will pay an official visit to Yugoslavia in early June for talks with President Tito, Party sources said yesterday. The sources said the talks will centre on Egypt's break with the Soviet Union, a topic of discussion earlier this month between Tito and Egyptian President Anwar Sadat when Mr. Sadat stopped in Yugoslavia as part of his European tour, UPI reports.

PCI group reform call

BY ANTHONY ROBINSON ROME, Ap[ril 28.]

FAR AWAY from the neurotic political climate of Rome at this time a small working party of the Italian Communist Party has just finished a three-day conference at Florence analysing how to establish more direct control by Parliament and other elective bodies over the vast public economic and finance structure.

The so-called Study Centre for the Reform of the State is one of several such groups which received a new importance after last June's regional election result which greatly increased left-wing power locally and raised the chances of Communist entry into Government nationally.

The State Reform Group is led by Sig. Pietro Ingrao, a man placed at the left of the party who is anxious to increase the level of participation in the decision-making process by elective assemblies of various kinds starting with Parliament. Parliament itself, in the Group's view, needs several reforms aimed for example at modifying the respective roles of the two-house Parliament and increasing the flow of information available to elected representatives, in internal party sessions. It has also discussed highly controversial issues such as the powers and role of the President of the Republic and a clearer definition of the position of the Prime Mini[ster and] the executive. All big[...] sitive constitutional que[stions].

But at the centre of t[he] Congress has been the [...] more direct control by [Parlia]ment, the regions and ot[her elec]ted bodies over the no[mination] of top personnel throug[hout the] public sector of the e[conomy], the re-inforcement of [...] planning powers wit[hin a] framework of overall e[conomic plans] agreed by Parliament [...] Parliamentary control [of] investment plans and p[...] the State-controlled i[...] and the credit system.

Significantly one of t[he] concrete proposals mad[e at the] conference was that mad[e by uni]versity professor Paolo [...] who proposed a new la[w which] would give a future l[eft-wing] government the faculty [of chang]ing the mandates of to[p execu]tives throughout the Sta[te sector]. Without such a power [...] any left wing electoral [victory] would still find Christia[n Demo]crats firmly seated at th[e princi]pal levels of economi[c power] which would make life v[ery hard] for any such governme[nt]. That kind of talk sour[ds very] much like planning for [a left-]wing alternative governi[ment] [rather than] the sort of historic com[promise] type government which [is] the PCI's official line.

Lockheed issues denial

BY DAVID BELL WASHINGTON, Ap[ril 28.]

IN A STATEMENT issued late last night in Los Angeles, Lockheed denied that it has paid a former Italian Prime Minister to help the company sell its C-130 transport aircraft to the Italian air force.

A Lockheed spokesman, in a carefully worded press release, said "Lockheed has absolutely no knowledge of any payments having been made to any Prime Minister in connection with the sale of C-130s to the Italian Government.

Meanwhile, the Justice Department, which originally gave the Italian government information about Lockheed's activities on the strict condition that there should be no leaks, is hard at work trying to find out how such sensitive information, or more accurately such sensitive accusations were ever leaked.

There have been reports that the department is so angry about the leak which it is convinced came from Italian sources that it is considering refusing to supply the Italians with any mo[re infor]mation. But a Justice [Depart]ment spokesman decline[d to com]ment on these reports to[...].

AP-DJ reports from [Rome]: A Parliamentary Inve[stigating] Commission drafted a [...] demands yesterday to [...] officials of Lockheed ab[out the] role of Italian politicians [includ]ing possibly a former pre[mier in] a $1.6m. payoff scandal.

Angelo Castelli, Presi[dent ...] ing possibly a former pre[...] mission members were c[onsider]ing a trip to the U.S. and also to France to meet L[ockheed] officials.

OVERSEAS NEWS

ebanon election ite attacked

HAEL TINGAY BEIRUT, April 28.

CTION of a new Pre- t for Saturday, was to-day as heavy ex- mortar and artillery ended three days of

ing push on the Beirut began last night, and ontinued to-day after Jumblatt indicated his l of the election, fixed mal Asaad, Speaker of

iet Union yesterday a two-stage resump- e Geneva Middle East onference, but de- that the Palestine n Organisation should ct in both stages, eports from Moscow. esal came in an open overnment statement l by the official news ass.

ment. The attitude of essive Moslem alliance doubt with this rever- Mr. Jumblatt held eeting with his Left- s to-day to discuss ion.

Mr. Jumblatt in oppo- the Saturday election Camille Chamoun, f Interior and head of ving National Liberal Party. Observers concluded that both men wanted more time to muster support for Presidential candidates other than Mr. Elias Sarkis, the widely respected Governor of the Central Bank, who is backed by Syria.

Mr. Sarkis, who so far has been almost *one step removed* from the political arena, to-day held his first Press conference, at which he formally announced his candidacy. He skirted questions on whether, as President, he would bring in foreign troops to restore law and order, saying that his first act, if elected, would be to call on all parties to declare an end to the civil war.

The other main Presidential candidate, Mr. Raymond Edde, who heads the centre-right National bloc, is heartily against the current Syrian presence in Lebanon, maintaining that their activities have so far made little impression on Lebanon's anarchy.

Meanwhile a security committee under the Deputy Speaker of Parliament, Mr. Munir Abu Fadil, including representatives of the Lebanese and Syrian armies, the Palestine Liberation Army and the various factions, is continuing preparation of *security measures for Saturday's* election.

es plays down threat

DANIEL TEL AVIV, April 28.

view on the Syrian in Lebanon was l by Defence Minister eres in an article in army weekly Bama- which he warned that ould beware lest it ristian-Moslem conflict rab-Jewish one.

e not partners to this Moslem) conflict and no inclination to inter- it unless an immediate ect threat to Israel's develops from it," he Intervention in other nces might only help tine Liberation Organi- result in uniting the warring Arab factions ion into a joint front srael.

However, Mr. Peres warned that what Syria really wants is to take over Lebanon so as to have a population of 9m. instead of 6m., a larger army, and to arm Lebanon so as to pose a greater threat to Israel. Syria has not yet reached this stage, but the situation is still developing, he said. At the same time he doubted that Syria would find it easy to digest the Lebanese pottage.

UPI reports from Beirut: Syrian President Hafez Assad has said he will work to salvage Lebanon from its ordeal even if this involves a new war with Israel, the Beirut weekly magazine As Sayyad reported to-day.

rab monetary fund t up with $900m.

UR OWN CORRESPONDENT RABAT, April 28.

B monetary fund set up vention signed here last h an initial capital of 0m. will supply credits balance of payments n the Arab world.

members of the Arab ncluding Palestine had part of their reserves to It is dominated by the who contribute more of the capital.

nd has $250m. *units of* called the Arab Dinar, it worth about $3.60 or nes the value of the onal Monetary Fund's Drawing Rights (SDRs). and Saudi Arabia have he largest amounts with ch, followed by Iraq, and Egypt with $25m. d the United Arab with $15m.

nd comes into operation convention is ratified ments.

Arab League officials said the fund's role will be complementary to that of the IMF. It will be used to stabilise Arab currency exchange rates and ensure their convertibility, and eventually create a united Arab monetary unit.

Credits will be made available to members for a maximum of seven years. Members will be able to draw a maximum of twice their capital contribution in any one year. The maximum permissible debt is three times the contribution, or four times in very special circumstances which would require exceptional authorisation from the Board of governors.

At a separate meeting Arab finance and economy ministers decided to set up a five-state commission to study the reorganisation of Arab economic and financial institutions and explore the possibility of creating an Arab financial market.

lian Supreme Court errules habeas corpus

K. SHARMA NEW DELHI, April 28.

AINEE held under the nce of Internal Security *seek to be released* habeas corpus petition ourts, so long as the Emergency and suspen- fundamental rights re- India.

Supreme Court to-day s in a majority judg- our to one in the habeas se which lasted 37 days ember 15. The court eld the Government's detain a person without asons.

m of the judgment is ie people detained since rgency was proclaimed be released by court nd they will therefore n jail until the Emer- lifted.

ajority verdict was de- y Chief Justice A. N. the only judge to dis- H. R. Khanna, who held pite of the existence of dential order, a detainee enge his detention on d that either there is thorising his detention he law has not been with.

a correspondent writes: ndhi's Government has never said how many people it has detained under the Emer*gency, but the number runs* into tens of thousands. Amnesty International in London told the Financial Times yesterday that from official figures on a state to state basis it calculated that there were at least 40,000 detained for political reasons. Some opponents of the Government put the number of detainees as high as 175,000.

Soviets call on China

MOSCOW, April 28.

THE SOVIET UNION, in an *apparent signal that* it is ready to do business with the new Chinese leadership, said that it is up to China to act on Moscow's proposals for a border settlement.

In an article which Western diplomats described as "very authoritative," Pravda said, "a package of constructive proposals from the Soviet delegation lies on the table of the Soviet-Chinese negotiations on a frontier settlement. The discussion and realisation of these proposals . . . could quickly take the negotiations out of their present impasse. It depends on the Chinese side whether things will move in this direction."

New Zealand budget

The New Zealand Government removed subsidies on butter and milk, increased rail freight charges and slashed capital expenditure on education, public works, post office and hydro-electric generation, in its second mini-budget this year, our Wellington correspondent writes.

Airbase takeover

The Soviet Union has taken over the former American Wheelus airbase in Libya, the Cairo newspaper Al-Gomhouria said yesterday, Reuter reports.

Salisbury swears in Ministers

By Tony Hawkins

SALISBURY, April 28.

FOUR AFRICAN chiefs and three tribally-elected African members of parliament were to-day sworn in as members of Prime Minister Ian Smith's Rhodesian Front Government.

It is not yet clear precisely what responsibilities the seven Ministers will undertake. A further three junior or deputy-ministers are still to be appointed by Mr. Smith. An official statement to-day said the new Ministers would have equal status with their 17 white colleagues (15 Cabinet Ministers and two deputy Ministers). The four cabinet Ministers — all of them senator chiefs—will undertake regional responsibilities. In Mashonaland (the eastern half of the country) one will be assigned to west and central areas of the province and the other will have responsibility for the eastern areas.

The Vice-President of the Council of Chiefs, Chief Ndiwini, will have responsibility for Matabeleland and Chief Charumbira will be responsible for the midlands area and Victora.

Reuter adds from Johannesburg: Sources inside South Africa's ruling National Party said to-day the general feeling of party members was that the introduction of Africans into Rhodesia's Cabinet for the first time would not satisfy Black nationalist demands there. The official Soviet news agency dismissed the appointments as a "manoeuvre."

Tribal chiefs are a frail bulwark

BY XAN SMILEY

MR. IAN SMITH, who announced this week that he is bringing four tribal chiefs into his government, has consistently tried to bolster chieftaincy institutions, primarily in the hope that they would stem the nationalist tide. Ironically, he has had to work hard—for his predecessors did their best to destroy the 250-odd chieftancies of the two major tribal groups, the Shona and the Matabele deposing or abolishing the titles of over 100 chiefs.

Smith has handed chiefs back their power over tribal courts and the right to allocate land in the tribal reserves—about half of the total land area of Rhodesia, where about 90 per cent. of the Black population lives. Half the 16 Black members of the national assembly are elected by tribal electoral colleges consisting mainly of chiefs and their headmen. All the ten Blacks in the national senate are elected by the Council of Chiefs, the tribal elite.

Chiefs with over 500 subjects now get paid a yearly govern*ment stipend of nearly £1,200.* With a flow of £6 fees for adjudicating tribal disputes, plus handsome extra allowances and expense account benefits from the Government if he proves co-operative, the Rhodesian chief has by African standards become very well off.

The average wage for African workers in Rhodesia is about £200 a year.

The Shona-speaking tribes (there are many groups within the overall tribe) make up three-quarters of Rhodesia's population and many of their top nationalist politicians. As the Pearce Commission put it: "The chief is not an autocrat but an articulator of the people's wishes . . . he is recognised as the custodian and arbiter of tribal custom, but has no authority to speak for people on extra-tribal matters."

In any case, the chiefs are often overshadowed by tribal spirit-mediums, in whom the tribes' ancient spirits are said to live.

An additional weakness of Shona chiefs is their age. The succession passes not from father to son but collaterally to the *senior representatives of the* various branches of the founding chief's family. The chiefdom rotates among several "royal houses." This means the chief is invariably very old, and very often illiterate too.

Yet another weakness is that the rules of succession are so complicated that—as in the case of a decrepit 70-year-old whose induction I recently witnessed—it may take as long as seven whole years to decide who indeed is the rightful heir.

The ultimate limitation on the chiefs is that the Government can veto any appointment and can depose recalcitrants. In the present wave of guerilla *violence, two out of three chiefs* in one important tribal reservation have been ejected for guerilla sympathies.

The Ndebele chiefs have by tradition held greater autocratic power. The title passes from father to son, thus avoiding the regular senility of the Shona chiefs. The Ndebele institution of chiefdom is therefore stronger.

So it is not surprising that Salisbury has given Ndebele chiefs a power disproportionate to the number of their subjects. They account for only about 15 per cent. of the total Black population, but the province of Matabeleland, where they predominate, has been allotted half the Black seats in parliament, in the senate and in the Council of *Chiefs. The nationalists say* this not only gives the Ndebele an unfairly loud say, but also serves as a divide-and-rule tactic.

The emphasis of differences between tribes (and, of course, between Black and White, too) is indeed as much of a pillar of Smith's policy as of South Africa's.

It would be unjust, however, to paint the tribal leaders as mere stooges. A number do, indeed, grow fat on their privileges, but others have done much to accelerate agricultural development. Even urban Africans generally respect the chief's right to distribute land as fairly as he can.

Many chiefs are prepared to present their people's views to the Government. Not even a quarter of the chiefs interviewed by the Pearce Commissioners in 1972 toed the Government line: few declared the Smith-Home proposals acceptable to their people.

But the Government's policy has placed the chief in an increasingly invidious position. The more the Government buoys him up with pay and privilege, the lower the Africans esteem him. He can carry great weight in local matters, but in the national sphere people look to *the educated Muzorewas and* Nkomos.

Nor are national politics as remote from the ordinary subsistence tribesman as both the bulk of Whites and the Smith Government would like to think. The tribesman resents the shortage of land and his difficulty in getting more: he resents his insecurity of tenure. His unsophisticated rural discontent has been channelled into nationalism. This hardly bodes well for Smith's latest plan for the chiefs to defeat nationalism.

RHODESIAN Transport Minister Roger Hawkins said *yesterday that even if the* **Mozambique border is never reopened, all rail traffic could be handled by the two existing outlets, Tony Hawkins writes from Salisbury. With further provision of necessary facilities on the direct line from Rutenga to South Africa this would be able to handle "nearly double our present traffic," even that currently going through Botswana, he said. In a separate speech the Minister of Mines, Mr. Ian Dillon revealed that the value of Rhodesian mining output increased nearly 35 per cent. in the first quarter of 1976.**

Kissinger offers mediation

KINSHASA, April 28.

U.S. SECRETARY OF STATE Dr. Kissinger to-night offered the good offices of the U.S. in possible negotiations to secure swift Black majority rule in Rhodesia.

He said: "In principle, the U.S. is willing to assist the parties, insofar as they request it, to bring about the results mentioned in my Lusaka speech—rapid achievement of majority rule and guarantees of minority rights.

"If the parties asked us to be *helpful, we would certainly* take that very seriously," he told a Press conference here. But while making his offer in principle, he made it plain he had no immediate plan of beginning the kind of personal negotiations he has pursued in the Middle East.

Because of a last-minute cancellation of his scheduled visit to Ghana by the Ghanaian Government, Dr. Kissinger decided to remain in Kinshasa before heading for Liberia on Friday on the fifth stage of his tour.

Our Accra correspondent writes: The Ghana Government dismissed as "wholly unfounded" reports that Soviet influences were responsible for the cancellation. The statement did not give any reason for the cancellation.

HOME NEWS

Laing Offshore plan may save jobs at Graythorp

BY RAY DAFTER, ENERGY CORRESPONDENT

LAING OFFSHORE has put a three-point plan to the Government in a bid to save the jobs of some of its 1,800 workers at the Graythorp oil platform construction yard at Hartlepool.

The proposals, outlined yesterday by Mr. Chris Prosser, Laing Offshore's director of operations, could change the manufacturing emphasis of the yard, which is running out of work.

Mr. Prosser said that as things stood at the moment, the Graythorp project could not be regarded as a commercially successful venture. Nevertheless, the group had put forward plans which might maintain a level of work at the yard to the time when more platform orders were forthcoming.

The first suggestion being considered by Mr. Anthony Wedgwood Benn, Energy Secretary, is that Graythorp should undertake the construction of gas platforms on a speculative basis. In general, gas production structures are cheaper, simpler and of a more basic design than oil platforms.

Laing Offshore has also suggested that a study should be made into ways of improving the yard's workshop facilities. It feels that with improvements the yard could carry out a higher proportion of any platform work. About a third of the platform now being constructed for Burmah's Thistle Field, is being undertaken by Continental sub-contractors, for instance.

Thirdly, the group is considering increasing facilities to undertake general fabricating work, not necessarily associated with offshore oil.

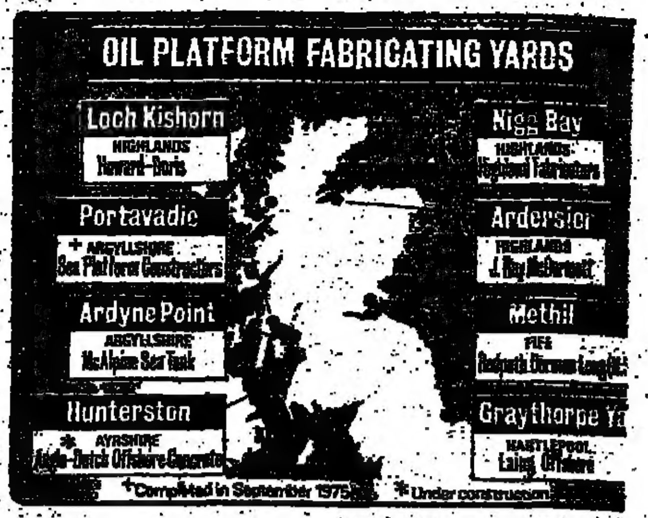
The group has told Mr. Wedgwood Benn it is anxious for an early decision on these plans. Some of the skilled workers in the yard will face redundancy shortly. Many of the 1,800 workers could be laid off by July.

Laing Offshore had hoped that it would receive contracts to build two gas platforms for the Irish Sea, but these have now been awarded on the Continent.

Meanwhile, Ireland's Industrial Development Authority is buying a site for the construction of offshore concrete platforms, according to Mr. Justin Keating, Minister for Industry and Commerce.

In an interview in a special international edition of Offshore Ireland, published by the Irish Offshore Services Association, Mr. Keating says that if there is sufficient demand for platforms a second site might be acquired.

Under legislation proposed by the Minister, platform construction will require a Government licence.



● Cardiff ship repairer, C. H. Bailey, yesterday confirmed that it is prepared to take over Greenwells dry dock at Sunderland, which was closed in March by NE Coast Shiprepairers.

In a letter to the Wear Confederation of Shipbuilding and Engineering Unions, the chairman, Mr. Christopher Bailey, said the company wished to reopen the yard and was willing to invest new capital in it.

Bailey is to send a party experts to Sunderland nex to examine the yard in de

Talks have taken place Sunderland council and S land shipbuilders and Mr. is to meet the Industry Mi Mr. Gerald Kaufman, shor

Mr. Bill Porter, Wear sec of the CSEU, said he wa pleased with the firm's pr and impressed by their re previous rescue operation

Construction orders rise but stay well below last year's levels

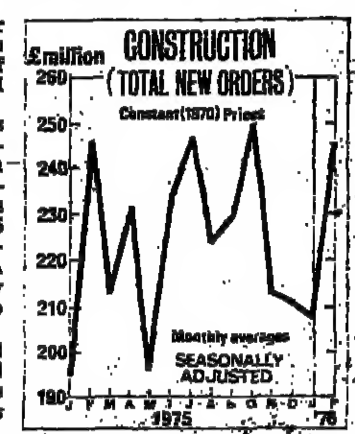
BY MICHAEL CASSELL, BUILDING CORRESPONDENT

CONSTRUCTION orders rose for the third month running in February, although the level of ordering activity remained well down on a year ago.

The latest provisional figures from the Department of the Environment provide no indication of a significant increase in building output in the coming months and confirm the view that 1976 will have a further overall decline in construction work. A fall of about 2 per cent. is widely expected after last year's drop of 6 per cent.

In December, January and February the industry's total order book at current prices was 4 per cent. down on the previous three months, and 7 per cent. below a year earlier.

The shaky outlook for housing activity was again reflected in the figures. In private housing where orders in January rose sharply over the previous month's level, there was another reverse in trends in February. Private housing projects accepted by contractors were provisionally valued at only £93m., a drop of £21m. on January. They were up by over £20m. on February last year.



In council housing orders rose to £141m. against £123m. in the first month of the year. Last February council housing contracts were valued at £136m.

Over the three months from December, 1975, to the end of March private housing orders were 27 per cent. up on the very poor levels recorded a year earlier, while council housing contracts were 6 per cent. higher.

Elsewhere, ordering levels showed little significant change from recent months. The value of public works contracts, excluding housing schemes, was estimated at £176m. in February, a near-repeat of the January figure. In the December-February period public works orders were 8 per cent. down in value over the preceding quarter, and 18 per cent. down on a year earlier.

In the private industrial sector orders perked up in February to reach an estimated £61m., against £46m. in J. The figure was about £20m on that a year before. A in the latest three-month value of orders in the industrial construction was 12 per cent. higher the previous quarter it re 28 per cent. down on th parable three-months a y

The outlook for priva mercial building output re very depressed. Ord February were worth onl against £62m. in the p month, and were £5m. be disappointing level of F 1975.

When the figures are ally adjusted for constar prices new orders rose to in February compared £208m. in January. The ary total was almost exac of a year earlier ar exceeded only in three in 1975.

Government is planning Giro cheque guarantee cards

BY ARTHUR SMITH

PLANS for National Giro, the banking arm of the Post Office, to launch guarantee cards to back its cheques, are understood to be under consideration by the Government.

Such a move—possibly in the summer—would be an important development for the State-owned concern, recently given Parliamentary authority to expand its banking facilities in competition with the big clearing banks.

Issue of a card to account holders would mean payment on purchases of probably up to £30 would be guaranteed by National Giro. This would make Giro cheques much more acceptable in shops and help to spread the use of the service.

However, it seems unlikely that the clearing banks will yet be prepared to issue cash for the cards.

Giro has no plans for the issue of credit cards, such as Access and Barclaycard. But the State concern is understood to be examining the possibilities of offering deposit account and bridging loan facilities.

Under the Post Office (Banking Services) Act, which received the Royal Assent on March 25, Giro has full powers to develop its banking facilities and offer new services.

Giro, launched in 1968 as a money transfer scheme designed to extend the banking habit to the large proportion of the population which does not use cheques, has failed to make a major impact.

But the Government has cleared the way for Giro to extend its services gradually to include loans and overdrafts for personal and corporate customers and other activities.

To put Giro on a sound financial basis, the Government has written-off £16.7m. of the past losses and converted £13m. of its debts into public dividend capital.

As a first step in expanding its services, Giro introduced a pilot scheme for personal loans last June. These were made available initially to customers of more than a year's standing and who had their pay credited directly to their Giro account.

Around £2m. has been advanced under this scheme, which will come under review in a few weeks' time. National Giro is understood to be satisfied with its success.

National Giro announced last night that from Monday a service will be introduced to enable Thomas Cook traveller's cheques and foreign currency to be ordered at any main Post Office.

Customers will not need to collect their orders, which will be sent direct to their homes from the Giro centre. Traveller's cheques and currency should arrive within about a week of calling at the Post Office National Giro said.

The way Governme can help traders

By Kenneth Gooding, Ind Correspondent

EVERY TRADE associa the country should point the Government the pol should follow to provid with a climate in whic could do better, Mr. Heseltine, Shadow Secret Industry, said yesterday.

Speaking at the annua of the British F Machinery Association, vised trade associations to about lobbying civil serva to "go to the constituenc

It was at constituenc that MPs had to stand explain why they were s ing—or otherwise—Gove policies.

The "most effective p group in British politics National Farmers' Unic lowed this policy with en success, Mr. Heseltine add

Too many trade assoc had not formulated ideas the longterm industrial s they would prefer the G ment to follow. They sho more like trade unions "know what they want to a and go out to achieve it."

The big gap

It was the lack of lon strategic thinking on ind matters which was the b in the U.K.

Too much was heard voices against the capitali tem and the profit moti said. "The balance needs redressed and that will b be done by those peopl know that capitalism wor

Mr. Heseltine added: " free enterprise system wa to earn the profits allow competitors round the wor vast bulk of industry's lems would disappear."

Mr. Arthur Walker, ch of the association, said th association had a unique to put its viewpoint abo future requirements to Government as a result moves to set up a financi scheme for the industry. urged members to make the opportunity to let the ciation know about point should be made.

He reminded members printing machinery maker reversed the previous tren improved the balance of ments situation last year exports at £93m. and in £61m.

This positive trade balan £32m. compared with one o £7.8m. in 1974.

In the first three mont this year the favourable had continued.

Curbs likely by summer on use of water

By Donald Maclean

THE LIKELIHOOD of "severe restrictions on water use in some places before the end of the summer" has increased, the National Water Council said yesterday.

The past month had seen no break in the dry spell, which continued to affect a number of areas.

Householders and industrialists should "in their own interest use water carefully and co-operate with the water authorities and water companies in any measures which are suggested."

The water shortage arises from a period of unusually low rainfall, and affects different parts of the country at different levels.

Scotland, for instance, has no general problem, while London is relatively well placed, and Anglia, Wessex, South-East Wales and South and central Yorkshire poorly placed.

"The situation continues to cause concern while the already dry spell continues," the Council said. Water authorities and water companies were exercising "close control" over their resources, and the Government was being kept informed of the outlook and of the measures being taken.

Tax analysis linked to GNP percentage

BY ANTHONY HARRIS

THE TREASURY has drawn up an analysis of taxes as a percentage of GNP in 1974 and 1975 at the request of the House of Commons Expenditure Committee. The details are given below. The committee has in the past said that the tax burden in the U.K. is light compared with that in other EEC countries, that the impression of high taxation is due to a faulty tax structure, and has urged the Treasury and the Inland Revenue to undertake more research on taxation.

The chairman of the sub-committee concerned, Mr. Michael English, MP, claims that the figures for 1975, published for the first time in this form, show that the burden remains relatively light, though comparative figures for EEC countries are not available for these years.

The committee has said in the past that the Government's financial deficit could be reduced by higher taxes collected through a more efficient structure.

The figures show that the tax burden, which rose sharply from 1973 to 1974, went up by a further 1.1 per cent. of GNP from 1974 to 1975. The personal tax burden rose more sharply, by the equivalent of some 2¼ per cent. of GNP (lines 1, 3 and 4 in the table, attributing the main rise in social security contributions to the employers' side).

Total direct tax revenue rose much less sharply, because the yield of corporation tax and capital taxes fell sharply in a recession year, from 3.9 to 3.1 per cent. of GNP (line 2 minus line 1).

The yield from indirect taxes in GNP terms fell slightly because of the fact that fixed money duties were not adjusted in line with inflation.

TAXES AS PERCENTAGE OF GNP AT MARKET PRICES

	1974	1975
1. Income tax	10.9	13.4
2. Direct taxes*	15.8	16.5
3. Indirect taxes	13.8	13.6
4. Social security contributions	6.1	6.6
6. Income tax and s.s. contribs.	17.0	20.0
7. Direct taxes and s.s. contribs.	21.9	23.1
8. Total tax and s.s. contribs.	35.6	36.7

* Taxes on income and capital, as defined in national accounts.

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HOME NEWS

Manchester's £5m. steel deal nears completion

·OY HODSON IN MANCHESTER

EL MILL deal, worth 5m., is now in the final negotiation. If success- ill represent a major con- to Manchester's growing n as a centre of the sector of the steel

. the Norwegian owners chester Steel, a newly mini-mill in north ter, wants to buy the ter wire rod mill of and Nephew, a sub- of Johnson and Firth

Ians Sundt, managing of Manchester Steel, sterday he hopes the can be concluded by mer. The negotiations nly concerned with the which Johnson and own will continue to buy s from the plant.

ester Steel regards the on of the rod mill as a xtension to its activities. nchester Steel mini-mill next door to the rod mill. ally, Firth Brown were slop new steelmaking on the site. The scheme ten over and finally to fruition by the in company which was able to start operations last year with one of Britain's pioneer mini-mills. Steel scrap is melted in an electric arc furnace and then cast in a continuous casting process.

Acquisition of the Johnson and Nephew rod mill would enable Manchester Steel to process some of its output through the mill. Other steels would also be bought in for the rod mill.

The Manchester Steel mini-mill has jut been run in to the point of introducing three-shift working with a target production of 120,000 tons a year. There are plans to expand with a second furnace and a second continuous casting plant so as to raise production to 250,000 tons a year.

Another Manchester private sector steel company Edgar Allen Balfour Steels which makes special tool steels is also reorganising and expanding.

The company is to invest more than £2m. during the next two years on the first forging machine to be installed in Britain by a private sector steel company.

An Austrian machine manufacturing company, GFM of Steyr, is supplying the machine which will automatically forge a wide range of shapes and sections. It will replace many of the traditional and labour-intensive processes in the production of rods and bars with a single automated operation.

Mr. Grahame Wise, chairman and managing director of Edgar Allen Balfour Steels estimates that the new forging plant will be operating by early 1978.

More Home News Pages 30, 31, 33

Plan to close Dudley Colliery

THE NATIONAL Coal Board is to close the 122-year-old Dudley Colliery in Northumberland, which employs 400 men.

Area officials of the NUM have been told that the Board can see no economic justification for keeping the pit open and have been asked to agree a closure date. The union has replied that it intends to fight the plan.

Mr. Sam Scott, Northumberland secretary of the NUM, said the union's mining engineer would be asked to survey the colliery.

National Enterprise groups should do well, says Ryder

BY KEVIN DONE, INDUSTRIAL STAFF

LORD RYDER, chairman of the National Enterprise Board, said yesterday that he would be "a shaken man" if any company in the Board's portfolio failed to show an improvement when its first results were published this year.

He told an Industrial Society lunch in London that the main business of the NEB lay in providing equity capital. He considered that the objectives of the Equity Bank being planned by City institutions and the Bank of England would be similar in many ways to those of the Board.

"This does not mean, however, that I see it as a competitor in any hostile sense. On the contrary, the need is so great that there is more than enough room for everyone."

Lord Ryder stressed that the NEB's job was to ensure "a proper return" from the Board's investments. The NEB's role as a holding company did not mean it should be regarded "simply as a hospital for non-viable companies," he said.

But as an important arm of Government industrial policy, the NEB was also expected to take a wider view of the benefits and opportunities that might accrue from particular investments. He referred specifically to stimulating investment and employment in the assisted areas of the country.

Lord Ryder said that the NEB was not an instrument of unfair competition with the private sector. It was not a "soft touch": it was not in the business of propping up lame ducks; and it was not in the job preservation business as an end in itself.

It was in business "to seek out those companies which in the long run can make a contribution to the creation of wealth, can supply the needs of domestic consumers, can help in the export drive, and can help to create employment where it is badly needed."

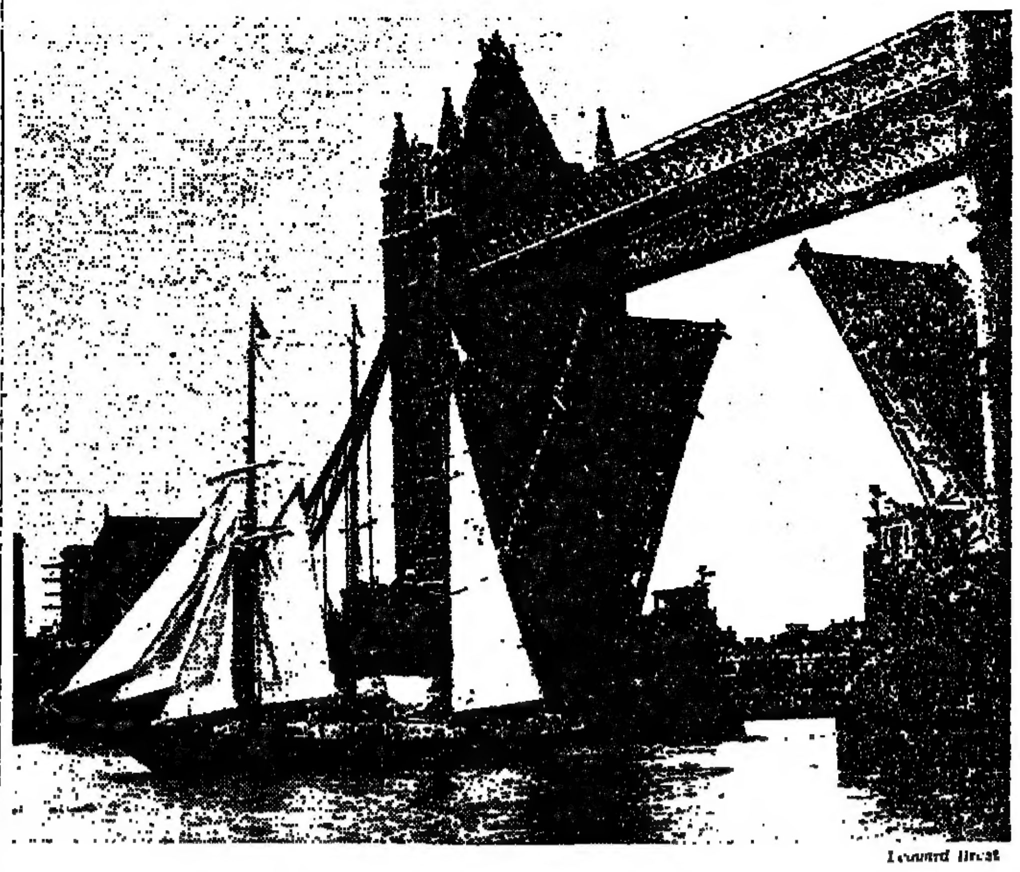
Track record

He expressed a hope that the existence of the NEB would avoid any repetition of the kind of crisis which developed at British Leyland. The Board aimed to come in not at the point of crisis, but to anticipate and catch such cases before financial difficulties became acute.

He added: "I do not believe that the country as a whole is prepared to face the economic and social consequences that will follow if a company of national importance like British Leyland were to go out of business altogether."

He called for the NEB to be judged on a "track record" of at least three years.

OFF FOR TALL SHIPS RACE



Leonard Burt

The Sir Winston Churchill, the Sail Training Association tall ship, negotiates Tower Bridge on its way to Plymouth yesterday for the transatlantic Tall Ships' race, which starts on Sunday. Sir Lindsay King, the Lord Mayor of London, was among the guests who saw her off from Tower Pier. The Churchill will be crewed by boys between the ages of 16 and 21 for the first two stops at Tenerife and Bermuda but for the last leg to Rhode Island a crew of 42 girls will take over. Throughout the race the boys and girls will compete against professional crews including naval cadets.

ewer U.K. trawlers f Iceland gunboats attack

AVID BUCHAN

nber of British trawlers celandic fishing grounds en sharply in the last the face of increased harassment and what vlermen see as corres- y inadequate protection Navy frigates.

ther warp-cutting yes- rought the total of warps ight in the past week, British trawler fleet. unday, had shrunk to 21 y.

Ministry of Defence re- esterday criticism from awlermen that the Navy ucing its protection. A an said that there were regular four frigates celandic station, and that was fielding a record of gunboats. Yesterday ere six

egation of MPs from constituencies has asked eting with Mr. Anthony , Foreign Secretary, to he dispute.

tepping-up of Icelandic nt last Thursday co- vith the ending of talks between Mr. Roy y, Minister of State at ign Office, and Mr. Knut nd, the Norwegian Minister.

ttersley conceded yester- Parliamentary answer cod war was discussed —Norway is known to yed a mediating role in few weeks—but Foreign urces rejected any sug- hat the new wave of Icelandic harrassment was a result of a breakdown in the Oslo talks.

The informal contacts between Britain and Iceland, whose diplomatic relations were broken off in February, are continuing through Norwegian good offices.

The trawlermen are pressing the Government for more Navy protection. But they were not expected to deliver an ultimatum yet to the Government, as they did in January, when the whole fleet threatened to leave Icelandic waters unless the Government sent back the Navy to protect them.

Meanwhile, the fishing agreement between Iceland and West Germany officially ended yesterday but the Icelandic Government has decided not to terminate it even though it is free to do so.

The Bonn Govenment promised at the time of signing that it would see to it that Iceland's free trade agreement with the EEC would take effect no later than five months after ratification of the treaty, which was signed on November 28, 1975.

Mr. Geir Hallgrimsson, Prime Minister, said in an interview that the coalition Government thought it was right to give the West German Government a chance to explain what it has done so far to put into force Protocol Six of the free trade agreements, which would grant Iceland preferential tariffs for fish products inside the European Community.

onehouse 'faced ancial ruin'

CIAL TIMES REPORTER

N STONEHOUSE, MP, ayed as a man of "over- dishonesty" at the Old sterday.

turned to crime only had faced financial ruin uld have meant the end rliamentary career, Mr. Corkery, prosecuting,

ne set out to fake his Miami in November, pretending he had he intended to dis- ith his secretary and s wife provided for life insurance polices 5,000.

time, however, he had sonal bank guarantees 00 for his various com- hich he could never have honoured and had l large sums from one or his own use.

llegations were made trial of Mr. Stonehouse, and his former secre- Sheila Buckley, started jury of five women and n after legal arguments r. Both deny all the n the case, which is last more than two

g that it was not a rial, Mr. Corkery said Stonehouse had led a Parliamentary life 3, when he ceased to ster for Posts and unications and went ess life as the Labour nt had fallen in the lection.

e years later he faced his affairs and the difice he controlled was collapse. Bankruptcy brought him ruin and d to his public life.

used the talents which ht him success to con- laborate plan through might escape from his and get thousands of n one of his companies, xport Promotions and y Services) so that he could settle in Australia under an assumed name.

Recalling that earlier in his political career Mr. Stonehouse had been Minister of Aviation, Mr. Corkery said that in 1974 he was able to put his knowledge of the aerospace industry to use when the Garratt Corporation of America wanted to develop business opportunities.

They offered to use him as a consultant and arranged a $25,000 fee with EPACS for his services after he had met Mr. Harry Wetzel, Garratt Corporation president, during a visit to the U.S.

Before this happened, counsel alleged, Mr. Stonehouse had become involved in large scale financial manipulations with EPACS which brought him at least £29,000 in a few months before he vanished.

Bogus records of the company's affairs were kept by Mr. Stonehouse, with the aid of its company secretary, Mrs. Buckley and fictitious minutes were made of company meetings at which other directors were never present. Inter-company arrangements for loans with other companies in which he was interested were also used to hide the true financial situation.

Mr. Corkery added: "Mrs. Buckley was not acting blindly as a stooge and knew exactly what Mr. Stonehouse was doing. But he, himself, was a strong man and used his dominant personality and experience as an ex-Minister of the Crown to get things done his way." The prosecution's opening speech will resume to-day.

Mr. Stonehouse denies 21 charges of forgery, theft, deception and conspiracy and Mrs. Buckley denies six charges of theft and conspiracy.

SIR JOHN BURGESS

Sir John Burgess, 64, will retire as executive chairman of Cumbrian Newspapers, Carlisle, next year though he will stay on the Board as non-executive chairman.

FINANCIAL TIMES REPORT
Thursday April 29 1976

Copying Machines

Although the computer can largely eliminate the need for paper in the office a written record is almost always required. This has led to a growth market for copying machines and a wide range of models are now available.

Feeding the paper boom

IT IS curious that when the computer was first mass marketed it was generally said that the machine would produce an office free of paper—yet after more than 25 years with the computer, there is more paper in offices to-day than ever before.

The reason is not really difficult to understand. Although it is cheaper and more efficient to calculate electronically on computers and then store information in the machines, some written record is invariably required. Even though salaries or stock control is done on computers, the computer printout, gives the real evidence on which action is taken.

Opportunity

Now once again we have been promised the office without paper, this time by the manufacturers of word processing equipment like the modern editing typewriters that have been on the market for some years. It is perhaps not a coincidence that some of the companies involved, like IBM, were the same companies that promised the "paper" revolution with the computer.

It does seem possible that the evolving word processing machines will give management the opportunity to create unified systems linking different technologists, which would eliminate the need for records on paper. One example of *that idea (which has still to show itself on the market)* is to link a copier with microfilm media so that the record goes directly on to a film that can be read on a film reader rather than from paper.

The creation of the office of the future, using combined electronic gear, has not frightened the copier manufacturers because their technology will be an esential part of it. Complicated business routines cannot be undertaken without resorting to making copies of our plans in writing. To confirm this point, IBM is becoming more interested in the copier market and is expected to launch its Copier III range of machines on this side of the Atlantic fairly shortly. That must finally give recognition to the fact that the office without paper is merely a myth.

There are three main reasons for the explosion in the use of paper in offices. First, the number of office workers has risen much more rapidly than most people have forecast. This means making more paper records for personnel departments, inter-department notes, etc. Secondly, the number of Parliamentary Bills passed has accelerated in recent years, as have the number of directives from Brussels. Doing business to-day requires many more business forms than even 10 years ago. Finally, there is the element of "Parkinson's Law" which, liberally translated, can be said to mean that the amount of copies made in an organisation rises in direct proportion to the number of copiers. These three factors combined have had a strong impact on the copier market in recent years.

It was not remarkable to find that the underlying growth rates in the copier market averaged around 15 to 20 per cent a year. Now, however, there has been a shift in the market with the result that growth has slowed, despite the dozens of companies that have entered the copier market over the past few years.

The first reason for the change has been the economic recession. Although the number of copies of documents produced has remained stable even though the level of business activity has fallen, there has been a decline in the number of copiers installed in the U.K. The main reason for this is that companies have been reluctant to invest in office equipment. But there has been a parallel trend towards upgrading machines in use. It is estimated that there are over ¾m. copiers in the U.K.—enough for 30 copiers for every 1,000 office workers (one of the highest penetraitions in Europe). Given this virtual saturation, the U.K. market has almost become a replacement market. But what is happening is that the bigger users are replacing their machines with more expensive and more productive machines, while the smaller companies are still converting from using coated paper to using plain paper copiers which are more expensive but give better reproduction. This parallel trend in the market will *ensure growth for some time to come.*

According to a recent survey of the European copying and duplicating market by the U.S. research organisation, Frost and Sullivan, the U.K. market could grow to about £317m. by 1981. Their forecast is broken down into photocopying equipment and supplies and duplicating equipment and supplies. Photocopying equipment and supplies is reckoned to be worth some £170m. in 1976 and is predicted to grow to £225m. by 1981. The duplicating sector is predicted to grow from around £58m. for 1976 to £92m.

Estimates

Frost and Sullivan also give their estimates of the market shares for each of the two main sectors. Rank Xerox is reckoned *to have 70 per cent. of the photocopying market* followed by 3M and Nashua with 8 per cent. each and Smith Corona Marchant with 5 per cent. Gestetner is reckoned to have the biggest market share in the duplicating market of 42.5 per cent., along with Roneo Vickers with the same proportion. The others fall a long way behind.

As the market has reached saturation, it is becoming more important to ensure that the copying and duplicating departments in organisations are properly run. The processing of information is becoming one of the costliest items in an office, after salaries and wages. To ensure that this part of the office budget is properly looked after, management need to appoint high calibre staff to run the operations, as well as to decide which of more than 20 machines on the market would best suit the requirements of each operation.

Roy Levine

An Océ 2000 plain paper copier

Race to improve technology

WITH THE best will in the world and the current pressing need for economy always present, no manager of an office service department can afford all the time that would be needed to make a complete assessment of all the products on offer on the copier and duplicator markets.

There are far too many machines available and the sales push has become so hard after the recession experienced since the boom years of 1972-73 that an unbiased judgment would be particularly hard to arrive at. In the circumstances, and with the possibility that some makers could disappear overnight, the temptation is—naturally—to play as safe as possible, with the result that far too much may be paid for equipment or services. The corollary will be that users will impose stricter control of the applications of the equipment and, in some cases, fail to use copying to the best advantage.

This is the familiar pattern of events in any situation where the services available—even in the small to medium organisation—are not grouped into single word processing entities. Properly designed, word processing system control can stop any occurrence of Parkinson's Law effects, with their very costly results, in that the work load is defined and controlled at all times through correct costing.

Any system that covers the writing, typing, filing, copying and diffusing of information vital to a company with the maximum amount of automation and security is bound to be complex (at least in its technologies) and expensive in primary installation costs. But with clerical staff shortages predicted to rise despite higher unemployment levels and with the undoubted deterioration in the standards of education of new intakes, pressure on management to move to integrated word processing as a means to make the best possible use of available trained staff can only grow very rapidly.

Since copying and/or duplicating perform a very important role in any company, the machines are clearly no longer independent entities whose *designers* need pay no attention to the rest of the equipment in the office and this not only from the ergonomic viewpoint.

But no manufacturer is yet near the point where he can offer a full range of harmonised equipment though some are fairly close to it now. By the same token, those companies who are making and selling only one product used in the office may feel it incumbent on them to join the battle to present whole word processing arrays, either by entering manufacturing areas quite unknown to them, or by factoring other people's equipment just as the majority of computer companies do now. The dangers of this practice are too well known to go into.

The time scale for the widespread appearance of such integrated office services depends directly on economic conditions and at the moment is put at 15 years. But since word processors are gaining ground so quickly over the conventional typing pool equipment, this estimate may be far too long and it could be that by the end of the decade many automated offices will have been set up.

Departure

Whatever transpires it seems that IBM, Gestetner and Rank Xerox will then still be battling hard at the top of the ranges since the latter has provided material for sales growth predictions on its latest product—the 9200—till 1985. The 9200 is an interesting machine in that it was a departure by Rank Xerox from its massively established photo-copying base into the rapidly developing market for offset duplicators, though of course the unit straddles the two markets.

Launched at Hanover Trade Fair just about a year ago, the 9200 is being made available generally in Britain, France and Germany, this year with some machines already installed. The target is the in-house reproduction department which produce over 400,000 copies a month, usually on two or more duplicating machines, and the machine workers at 7,200 copies per hour with ability to collate as many as 999 sets.

Instead of the traditional (for Xerox) selenium drum scanned to produce the electrical pattern of characters, there is a flexible metal belt on which the negative is produced by flash exposure. A magnetic brush applies toner.

An ambitious sales campaign has been mounted in the U.S. and a significant facet of it is a telephone diagnostics service which the company believes will eliminate one in 10 service calls. *If this works and the* user himself is able more often than not to correct small malfunctions, other suppliers will have to take particular note now that service charges have gone through the roof.

While Rank Xerox is busy invading the area where Gestetner has reigned supreme for a number of years, the latter has penetrated the plain paper copier market with its FB-12 and attracted the classical patent infringement law suit. A medium volume unit, for the 6000/8000 copies a month company, it is a development on which the Gestetner organisation is placing a great deal of reliance since it should lead to a situation by the end of the decade in which copier turnover will be equal to total current turnover. To this end, some £6m. is to be invested in copier development.

Curve

Since IBM already dominates the word processor market it can only be a matter of time before more IBM copying units appear. Copier I and II cost probably £5m. to launch and they will be joined by smaller companions as the company advances on its present course of involving users at progressively lower levels of company size—just as it is doing in data processing with System 32 and the "portable" 5100.

But IBM's learning curve is a steep one despite the obvious difficulties of co-ordinating world-wide manufacture and selling. The work it did on photoconductive surfaces to produce an imaging drum for its copiers has been put to good service in the 3800 printer which uses a steered laser beam to form the characters and operates at the incredible speed of around 13,000 lines of up to 200 characters a minute. In effect IBM has succeeded where Xerox failed with its 3,000 lpm computer printer some years ago.

This apparent digression underlines the fact that even the biggest companies can make mistakes in applying new technology, or well-established techniques in new areas, and they sometimes grossly underestimate the cost of development. The conclusion is that users should avoid paying the cost of "technology wars"—and they can, by appropriate buying policies.

Sleepy giant though 3M may often be called, it too can play the technology game and in the flush of its undoubted success at the low-cost coated paper end of the copier market is taking on Rank Xerox and IBM in high-quality, high output plain paper machinery in the 7,500 copies a month class. One unique *feature is ability to store the* contents of one document so that it can continue to be run off (up to ten copies) while it is being replaced by the next piece of work.

It is extremely difficult to find a clear pattern of development which could guide prospective buyers to equipment and processes likely to be arou the next ten years; even difficult to say who of the contestants will be in finish of an extremely exp technology race.

Size and capital resourc not the whole answer; i tion has a large part t and so has the attitude of pean governments to nationals to the extent tha companies kill off Eur based manufacturing before these too can b true multinationals.

Ted Scho

هكذا صدر الأصل

New opportunity to buy outright

N by Rank Xerox tomers the oppor- anuary this year, s as opposed to has led to some to just how much put on the com- fact that the ommission report ninent. But the piers and duplica- h other forms of ment has been ssed over the past competition has intense so Rank is after all a d operation, is tain amount of rotect its market

decision, by the inant company in r and duplicator an extra facility be in the best ne users of such viding of course ricing structure Rank Xerox is a After all there res to certain ually to purchase indeed there are or leasing, the tor, of course, ount of use the along with the that actual piece is kept for.

kage is often very nd as such needs eration. Some of hemes have up to price structures the copies needed. en includes a ser- This would cover nical service in- regular mainten- akdown service as placement of worn

he rental plan in- hire charge plus each print. The corded by a meter into the machine. for the number of prints is based on a sliding scale reducing as the volume gets higher. This makes the copier more competitive when it has a high level of utilisation.

Prior to the January decision, Rank Xerox's whole marketing operation was geared to this type of rental scheme. They claimed that it avoided involving the customer in any great initial capital outlay while at the same time it was easy to trade-in the machine for a new one, or a more sophisticated copier, if the volume of work became too great for the original equipment. Some, however, may question the ability to change the equipment at any given time, for most users hire the copier for at least six months, and there are certain cancellation clauses.

Naturally to operate a rental scheme on these lines a copier manufacturer would need to have strong financial resourses while at the same time it must be in a position to offer a comprehensive range of products. Equally there is a need to run a substantial rent collecting organisation. It is small wonder then why many Rank Xerox competitors are unwilling to get involved to any degree in the rental market.

Gestetner for example handles very little rental business and has always favoured the straight sale method. Here the sale is covered by a leasing or lease purchasing scheme both of which relieve Gestetner of any financing problems. Under the leasing arrangement a leasing company would purchase the machine and then lease it out to the user much in the same way as a rental contract. This method means that the user of the copier does not get involved in any major capital outlay just as in the case of renting. The leasing charge is slightly more than the rental costs in the short-term but after a period of say four years they become more competitive.

Under the lease purchase scheme the user of the copier or duplicator eventually becomes the owner. This immediately gives the company that is buying the copier the first year depreciation allowance together with savings in VAT. At the same time the purchaser has an immediate positive cash flow.

The new Rank Xerox sale facility will give much the same tax benefits as the lease purchase scheme of Gestetner. However, since the cost factor is much higher than in a rental contract, and bearing in mind that the copier machine has a limited life span both these financing arrangements are really only suitable to the organisation that has a high utilisation of its copiers.

Of course money is tight at the moment and a number of companies are being forced to make stringent economies so Rank Xerox has hardly chosen the most advantageous time to offer its new marketing facility. Given this factor it is obviously early days to judge how popular it has proved. Xerox claim a good response across the range *of products but overall the* revenue from sales remains minimal in comparison with rental income.

Some of Rank Xerox's competitors argue that the pricing structure on the machines is not realistic in comparison with similar machines on the market and that the company only made the move in anticipation of the Monopolies report. It is felt that the least popular models at Rank Xerox are attractively priced but those that are currently on demand for renting are priced above comparable machines from other manufacturers.

Flexibility

Rank Xerox claims that not only does the move to make straight sales broaden the market base and gives the customer more flexibility but that the pricing was made on a very competitive basis throughout the range of products.

Moreover Rank Xerox feels that in the case of the customer that has a high utilisation of its copier the machine could pay for itself in a period of only two years. When the level of utilisation is low the time taken for a machine to pay for itself could stretch to five years.

Be that as it may, it does seem strange that at the same time Rank Xerox is offering customers the opportunity to purchase its copier the company has increase the discount offered to high users under a rental scheme. This after all is precisely the same area that Rank Xerox would be looking to for customers on the sale side.

Anyway Rank Xerox's move to offer bigger discounts for higher volume is bound to spark off talk of a price war given the increased competition and the depressed state of the copier market. Indeed the joint chairman of Gestetner has already said that he feels there will be a price war since what happens in the U.S. eventually happens here. But the chances of this materialising in the U.K. do seem fairly slim. Rank Xerox remains the controlling factor in the copier market and only last year it was increasing its rental charges while others were reducing them including Xerox in the U.S. In the circumstances the Monopolies Commission report will make interesting reading.

David Wright

THE EUROPEAN COPIER MARKET 1976-1981

(In £m's sales per annum)

	Duplicating		Copying	
	1976	1981	1976	1981
Italy	40	70	87	135
Germany	77	122	223	280
France	65	110	155	193
United Kingdom	58	93	170	224

Source: Frost and Sullivan.

Development in Europe

ALTHOUGH the U.K. is behind many other European countries in the use of sophisticated office equipment (and particularly Germany), it has one of the highest populations of copiers.

It has been estimated that there are about 30 copiers for every 1,000 office workers. Given that there are about 8½m. office workers in the U.K., there could be an installed base of copiers of just over 250,000. The precise reasons for the more frequent use of copiers in the U.K. have never been fuly analysed. But the fact that the dominant company in the field, Rank Xerox, is based in the U.K. could be one of the reasons. The company has obviously concentrated on its home market first and has achieved a large degree of success in market penetration. Another reason might be the amount of paperwork that is generated in Whitehall and the big companies.

From most of the forecasts that have come on to the market in recent years it appears that the U.K. will hold on to its lead among the European countries, with the exception of Germany. According to the latest survey on the market by Frost and Sullivan, the U.K. market could expand by 50 per cent. between now and 1981 when sales could reach £1.25bn.

Projections

Projections by Frost and Sullivan show that while the U.K. has almost the same population as Italy, it consumes 75 per cent. as much paper and board and uses 1.3 times as many typewriters—which gives some indication of the relative amount of paperwork generated by the U.K. economy. The same comparisons for Germany show that consumption of paper and board is nearly twice the level in Italy and that there are three typewriters in use for each machine in Italy.

These figures underlie the reason for the projected growth in the European copier market, increasing paperwork. Even though a point near saturation may have been reached in the market, the copier companies still score because supplies account for a very high proportion of total revenues generated. Furthermore, there is some evidence of users trading up by exchanging their machines for more expensive but more productive models.

Until six or seven years ago, Rank Xerox had the market almost to itself. But since then a number of companies have put models on the market and there are now over 20 companies competing. The European market has not yet become as competitive as in the U.S. where there is a price war between Xerox Corporation and IBM. But there is no doubt that Rank Xerox (which controls the marketing of Xerox copiers in the rest of the world apart from Japan and the Americas) has lost some of its market share.

It is estimated that the company has about 70 per cent. of the U.K. market and a rather higher share of the total European market. Competition has been rather more intense in the U.K. than most other European countries.

Rank Xerox last year reported a profits drop for the first time, and has slimmed its staff in both its factories and at head office. Future prospects depend to a large extent on how its new Xerox 9200 duplicating system is accepted in the market. This machine takes the company into the duplicating market for the first time and is an important diversification. Its machine is aimed at the in-house printing operations of the large companies and government. Estimates vary about its prospects but it is thought the company could sell between 660 and 750 this year increasing to about 5,000 in 1979. Revenues by then could be between £80m. and £120m. a year from the 9200. Rank Xerox management expects profits from the machine within the next 18 months.

Another development that could affect its growth is the investigation of the copier market by the Monopolies Commission, whose report is expected during the second half of this year. To some extent the investigation is outdated since it was started before the competitive situation developed in the market, but it could have some impact if it recommends a parcelling out of Rank Xerox's products.

Roy Levine

Facsimile transmission

f the quick fax is (its real name is nsmission) is a re- device that trans- ormation held on ver any distance Post Office and rk circuits.

much like using a t that the copy remote terminal he world. Many of mpanies use fax as telex networks con- world-wide offices. K. some companies their own internal ns networks and rt in that, too.

its many advan- ms a natural com- medium for com- . But the market taken off for two

: Offices around ve failed to agree s to make any rational in any her words, a Rank ler should be able ssage to or receive from, say a 3M d in the U.K. or ntry. The fact that es and manufac- ot yet agreed com- ns for all machines development.

The second reason is that manufacturers have not developed fast machines that make fax even more attractive.

There are three elements in costing out the benefits of using fax. The first is the rental which varies between £25 a month for a straight forward machine that can transmit a message in four to six minutes, up to £90 a month for a more sophisticated and faster machine. Fax machines fall into three basic groups. Group I operates at the basic speed of four to six minutes; Group II at speeds of between two to four minutes; and Group III at one minute or less. The faster the machine, the higher the cost of the equipment, but the bigger the saving on transmission costs.

Charge

In addition to the rental, the user will have to count the cost of paper used as well as the call charge. The call charge depends on the length of the message and is based on the Post Office's charge rate for normal telephone line costs, since a fax message is sent over the telephone line. Of course, if a company transmits a fax message over its own private line, there is no call charge.

Because fax is so much faster, the rate for a fax message is normally cheaper than for telex, especially for the Group II and III machines. The faster the fax machine, the greater the saving over comparable communications media.

It has been calculated that to send a message spread over an A4 sheet (with about 320-380 words) to Birmingham would take about five minutes using telex and cost 37½p. But using a Dex machine (made by Graphic Sciences in the U.S.) would take only 2.2 minutes and cost 28.6p—a saving of 8.9p. A message sent on the Dex machine depends not on its length but on the size of the page—so any message sent in the U.K. on A4 would cost 28.6p on fax.

A similar comparison shows that the same message sent to New York on a telex machine would cost £3.75 while on the Dex it would cost £1.72. Other benefits apart from cost savings of using fax are that it is error-free since it does not require an operator and can send pictures and drawings which telex cannot.

Fax was first used by newspapers and weather bureaux to send material to remote offices. These machines were generally very expensive and were built for spcialist use. It is only recently that cheaper machines have been used for commercial use.

Leader

It is estimated there are about 6,000 fax document machines in the U.K. This is by far the highest population in Europe outside Germany which is the leader. The machine population is estimated to grow from about 10,600 machines in 1974 to about 22,225 in 1977 and almost 50,000 machines by the end of the decade. About half of those machines will be Group II machines and about 15 per cent. Group I machines. So far there is only one Group I machine on the market and that is being marketed in Europe by Kalle Infotec.

Although this machine which sells for £5,500—twice the amount for a Group I machine—only accounts for a tiny proportion of total installations in the U.K. it accounts for a significant proportion of transmissions sent by fax. Each month about 1.5m. fax transmissions are made and about 200,000 of these are on the Kalle Infotec machine, most of them to overseas offices.

Growth projections for the fax market in Europe could be boosted by two developments this year. One is the meeting scheduled for November of the Compatibility Committee for International Telephones and Telegrams (CCITT) in Geneva which is expected to finalise compatibility standards for Group II machines.

The other event is the expected launch of faster Group II fax machines in the U.K. later this year by Muirhead. Once the CCITT standards have been published in its final form, it is expected that Rank Xerox could launch the Group II telecopier that its U.S. parent has already put on to the U.S. market.

Some people in the U.S. are getting quite excited about the prospects. A recent survey predicted that the number of fax installations in the U.S. would rise from 122,000 to 185.000 and that the number of international transmissions would exceed 5m. by 1980. Then we could see the advent of "electronic mail."

Roy Levine

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● DATA PROCESSING

Intelligent terminals from Univac

UNIVAC, which was involved in distributed processing of a sort long before the phrase was coined, yesterday unveiled world-wide its new offerings in the local computer power field.

There are two families of equipment—all coming under the heading of intelligent terminals—and three units are now released for marketing.

UTS 400 VDU is a visual display with a good deal of processing capacity; the text editor version of this is a unit conceived specifically for printing and publishing applications. There also is a UTS 700 remote batch terminal.

All the work behind the two new series is aimed at providing enough local processing capacity that the units involved can go through a day's work without having to call on the main machine. At the end of the day, processed information would be fed through to the central office at high speed.

But this is not distributed processing in the strict sense of the term, though it takes a long step away from the totally centralised structure of large data processing systems proposed and adhered to by IBM for several years.

The VDU unit is based on a microprocessor and is able to operate on its own or as one of a cluster and also to work with a number of peripherals.

Four screen formats are available with alphabets to conform with Scandinavian, Spanish and other European usage.

The text editor version of this is compatible with Newscomp, the company's program suite designed for the newspaper industry.

Text editing can be performed remotely, thanks to extra memory incorporated in the unit. This includes up to 16K of random access memory for text data storage and manipulation.

Scrolling to the 229, possible lines of text length is simple.

The UTS-700 is quite a powerful machine in its own right, operating through an RPG II compiler to provide a certain amount of local program autonomy.

It can support many peripherals including floppy discs and high input-output rate transmission equipment.

Univac House, 160, Euston Road, London, N.W.1 (01-387 0911).

Checks ship for trouble

USING the company's MARCH 4 microprocessor with ship-wide multiplexed data communication is a new marine alarm monitoring system introduced by GEC-Elliott Automation.

Signals from both "on-off" and variable quantity (analogue) sensors are multiplexed at their point of origin on to only two multicore cable loops, one for contact changes and one for analogue signals. The data is interfaced over a serial highway to the microprocessor via standard MARCH 4 input/output units.

The processor examines incoming contact signals for a change of status and compares incoming analogue signals with preset high and low limits. When a change or an alarm condition is detected, the computer initiates warnings on illuminated annunciators, mimic diagrams, visual display units or printers.

A carefully designed panel allows the ship's engineers to display values of the set alarms or of any analogue measuring points. They can also set up individual alarm limits for analogue inputs, inhibit or recall alarm points singly or in groups, acknowledge alarm conditions and activate printers. More from New Parks, Leicester LE3 1UF (0533 871331).

Personal computer from IBM

COMPUTING POWER which 12 years ago required 2½ tons of equipment is now available in a 50 lb desk top package about the size of an electric typewriter with the development of the IBM 5100.

Introduced in Canada and the U.S. last September, the machine had its European launch this week. Currently being built at Rochester, Minnesota, the company says production of the computer in its Italian factory is planned to commence in about a year.

It is available in 12 models (three language choices APL, BASIC, or both, each with four memory sizes) on a purchase-only basis, with prices ranging from £6,131 for the BASIC only model with a 16,384 character memory, to £13,643 for the largest model with a 65,536 character memory and both languages. First shipments to customers will be in about six weeks' time.

An 80-character/second printer and an auxiliary magnetic tape drive have also been introduced as optional extras for the computer.

More information from IBM, 101, Wigmore Street, London W1H 0AB. (01-935 6600).

Hamilton Executive Services has ordered the first two machines to be delivered in the U.K. and these will be made available on a monthly hire or rental basis, together with the appropriate printer, as from the beginning of June so that would-be users can obtain a no-obligations evaluation of what the machine can do for them.

Hamilton is at 53, Curtain Road, London, E.C.2. (01-739 3441).

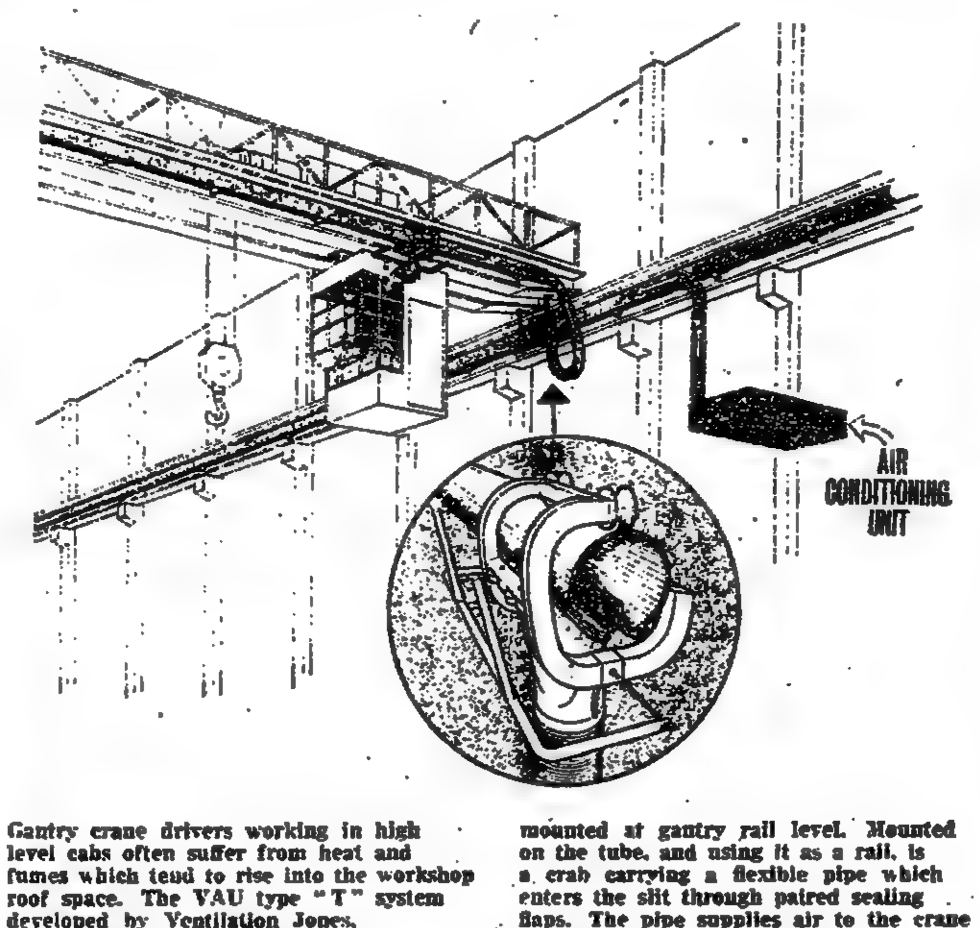
Kit to make a terminal

A COLLECTION of parts with which to build a data terminal, using if necessary a domestic television receiver for the display element, has been put on the market by Computer Workshop, 174 Ifield Road, London SW10 9AG (01-373 8571). It can be done for £250 states the company.

The kit, CT 1024, is aimed at micro and mini computer users who might fail to develop the full potential of their designs for want of a low cost terminal.

It comes complete with ASCII keyboard, character generator, serial interface and power supply. All standard characters and cursor functions are available under manual or computer control. Up to 16 lines of 32 characters each may be displayed from either of two pages giving 1024 characters capacity. Standard serial output is 110 baud and higher rates are available with slight modifications.

Users require only a video monitor or slightly modified domestic TV set. Alternatively a UHF modulator can be supplied that will allow display on any ordinary set by plugging into the aerial socket. From May 1, the basic price with video output is £215.



Gantry crane drivers working in high level cabs often suffer from heat and fumes which tend to rise into the workshop roof space. The VAU type "T" system developed by Ventilation Jones, 13, Duke Street, Princes Risborough, Bucks, HP17 OAT (08444 5874), is stated to solve the problem. A slit tube carrying fresh conditioned (heated or cooled, and filtered) air is mounted at gantry rail level. Mounted on the tube, and using it as a rail, is a crab carrying a flexible pipe which enters the slit through paired sealing flaps. The pipe supplies air to the crane cab as the crab travels with the cab movement. An automatic regulator fitted in the vicinity of the crane cab ensures that a constant quantity of air is provided regardless of the cab position.

● HANDLING

Fork truck for oil platforms

A DIESEL engine-powered fork truck specifically for operation on oil production platforms has been introduced by Lansing Bagnall of Basingstoke, Hants. (0256 3131). The 2,500 kg. capacity truck is based on the existing engine-powered fork truck range, but is adapted to meet the extremely stringent safety and environmental requirements of the Department of Energy concerning the use of such equipment on oil rigs.

The truck conforms to the Department's requirements for operation in Division Two hazardous areas and as such lends itself to operation in other environments where flammable products are involved, such as oil refineries and gas production rigs, says Lansing Bagnall.

To meet these requirements, the truck is not fitted with any electrical equipment and has to be capable of withstanding the harsh operating conditions prevailing outside—particularly during winter.

Many of the modifications and additional equipment incorporated involve the engine and exhaust system. Since there is no electrical system on the truck, a hydraulic starter motor is fitted. This is powered by an accumulator charged from the truck's hydraulic system when the engine is running.

To eliminate risk of sparking from steel or aluminium striking rusty steel the elevating forks have been treated with a thick, metal-sprayed coating of aluminium-bronze. A copper layer below the surface acts as a visual warning of advanced fork wear. Also, there are no pure aluminium fittings on the truck; items such as name-plates have been replaced by brass or plastics.

Big collars for pallets

COLLAPSIBLE COLLARS with a depth of 400 mm for use with any standard pallet have been introduced by R. Durell and Co., Globe Works, Springwood Industrial Estate, Rayne Road, Braintree, Essex CM7 7YA (0376 23113).

Made from 22mm thick softwood, the collars are constructed using a patented Swedish hinge fitting. The company has also developed a collar with a drop side, incorporating a finger lift, providing access to the pallet contents in a stack of pallets. It is stated that the collars will support a load of two tons.

Both items are being shown at the Storage Handling and Distribution Exhibition at Olympia (April 26 to 30).

● CALCULATORS

Ideal for technical manager

BY combining features of their business pocket calculators with others from their scientific range and adding one or two extra facilities, Hewlett Packard has designed a machine that should prove particularly useful to managers in technologically-based industries.

For business applications there are 15 statistical and 10 financial functions pre-programmed into the new HP-27 as well as 28 log, trig arithmetic, time, angular and co-ordinate conversion functions for scientific and engineering work.

New functions introduced in statistics include variance, correlation coefficient and normal distribution and in finance, net present value and internal rate of return for up to 10-uneven cash flows.

To accommodate all the functions, most of the buttons work in three modes, the two additional ones being chosen by using one of two prefix buttons first. The display also works in three modes: ten significant digits; eight digits plus a two digit exponent of 10; or exponents in multiples of 1000 or one thousandth. The machine is used in reverse Polish notation (RPN) and has 10 addressable memories. Measuring 130 x 68 x 30 mm. and weighing 170g., the price of HP-27 is £129.50. Wokingham 784774.

● COMMUNICATION

Gets almost any channel

ABLE to transmit or receive 720 VHF/AM channels between 118 and 135.9 MHz is the PET-220 frequency synthesised 10 watt portable transceiver made by Bendix and available in the U.K. from FieldTech.

Likely applications are where multi-role operations arise and where correspondingly versatile equipment is needed. Examples are in air search and rescue, aerial fire fighting, air surveys, off-shore drilling rigs and air shows. Channel spacing is 25 kHz.

The complete set is easily transportable by one person and includes power supply module, gel battery pack, battery charger and accessories, in one robust weatherproof case.

Operation is possible for two hours on the internal batteries, but the set may be run from a vehicle battery supply. Optional extras include an inverter for mains operation and a second battery pack plus charger. More from company at Heathrow Airport, Hounslow, Middx TW6 3AF (01-759 2811).

● ELECTRONICS

Alarms by coded radio signals

INCLUDED in a number of VHF/UHF radio items introduced by Burndept Electronics (ER) is a radio alarm and control system of interest to organisations that are responsible for the proper operation of a number of outstations from a central point.

Called Simdat, the system will be mainly used in existing radio networks installed for voice communication, and no interference with normal speech occurs since data transmission times are only about a quarter of a second. Existing 12½ kHz channels are used.

Each station has a unique code of five tones based on the CCIR standard. If an appropriate relay contact or sensor detects an alarm condition, the outstation transmits its quarter second bursts until acknowledged automatically by the central unit.

Similar verification has to occur when a command is sent from the centre to an outstation; in this way an alarm cannot be lost if, for example the channel is being used for speech when an alarm occurs.

Alarm conditions at the outstation are collected in an interface unit which processes them and introduces appropriate signals into the radio link.

Due to the unique address arrangement, many stations can share the same radio channel.

At the central station a facility is provided that can scan a number of incoming radio channels and collect the alarm information. This can be displayed by methods ranging from simple lamps to CRT units.

● AGRICULTURI

Pressure t inject the fungicide

THERE is still some hop eim in Britain desp appalling ravages of Du disease last year.

An Amersham comp been conducting field tr an aerosol pressurised m forcing fungicide into t sap stream. It repor cases of recovery from cent. die-back—though landowners or council want to preserve trees r to such an extent is a m Only a tree expert cou in these cases.

Vector for this fungus beetle which lives on Beetles carry fungus which can penetrate t through feeding puncti minate, and spread thread throughout t eventually choking sap and killing twigs and br

Aerodex fungicide co pressure can which wn stalled to inject the flu the bark. Fungicide shown to migrate all tree system to the edg attack, stopping t mediately.

Aerodex is at 3 Avenue, Chesham Boi sham, Bucks. 02403 32

● METALWOR

Grinds a finishes

CONSOLIDATED Tool Company has int air-operated hand-hel grinder and finishing

The tool incorp governor assembly wh higher speeds to be under load conditions pared with former mo fitted with a 2.4 hp motor and is available speeds of 4,500, 6,000 rev./min.

Contained within a aluminium housing, it to have an effectiv system which reduces put to about 88dBA.

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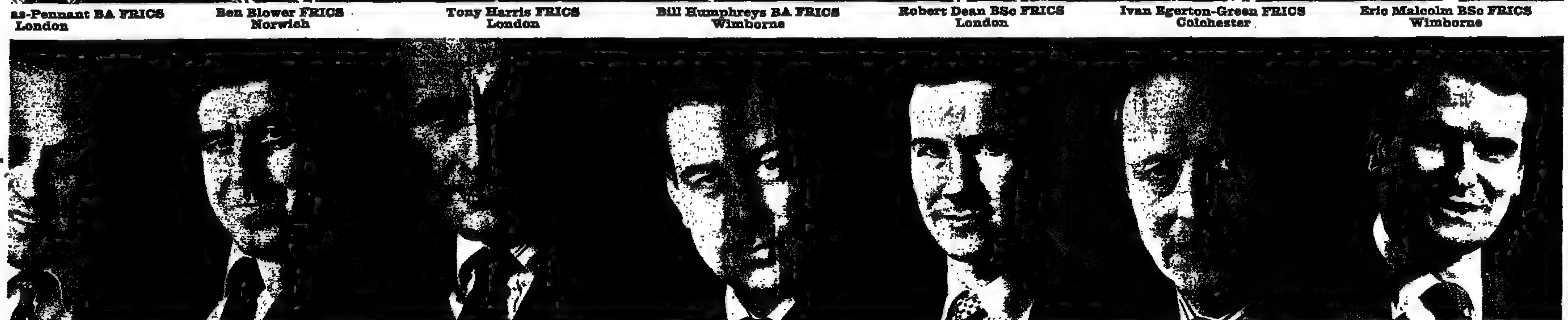

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BUSINESS AND INVESTMENT OPPORTUNITIES

LABOUR NEWS

Top level attempt to-day to end tinplate strike

BY DAVID CHURCHILL, LABOUR STAFF

A TOP-LEVEL attempt to settle the strike by 900 skilled maintenance workers at the British Steel Corporation's tinplate plant at Ebbw Vale, South Wales, will be made to-day by a national official of the Amalgamated Union of Engineering Workers and senior BSC management.

Mr. Albert Brotherton, AUEW national organiser, will meet shop stewards and BSC officials from London at the plant to find a solution to the present strike over a pay dispute. In addition, the BSC management hopes to stave off potentially more damaging opposition to the BSC economy programmes instigated earlier this year.

All production of tinplate at the plant—about 10,000 tonnes a week—has been stopped by the strike and BSC has said that lay-offs of the 6,000 work-force would start on Saturday if there was no return to work.

Ebbw Vale produces about a third of Britain's tinplate and a prolonged strike would hit the canning industry, especially the Metal Box Company, which has about 70 per cent. of the U.K. market.

Supervision

The 900 fitters and toolmakers at the plant resumed their strike on Monday after narrowly agreeing to return to work on Saturday following a five-day strike last week over the same issue.

The dispute was over payment for 12 fitters who refused to work a shift on Easter Monday without supervision as part of a policy of non-co-operation with management.

Strikers say that after they had returned to work with a promise that the men would be paid for the shift, the management offered only 80 per cent. of the pay due.

The Corporation say the dispute is really o strikers' opposition hard-won agreement the Corporation and the involved in January agreed on economies a in manning levels to st Corporation's substanti and make it competiti its European rivals.

Those on strike cla since the agreement th greatly exceeded the reduction target and a return to "normal" is now due. But the tion says that the ec are intended to be long

Involvement of union and management in the dispute refle seriousness of this first unrest at the economi the agreement was m counter this, the ag specifically called for talks on unofficial dis

New Leyland Cars strike halts Allegro production

BY PETER CARTWRIGHT AND ALAN PIKE

A NEW trouble-spot developed for Leyland Cars yesterday as a walk-out by body shop workers brought all Allegro production at the Longbridge plant, Birmingham, to a standstill.

Urgent efforts were being made last night to resolve the stoppage before it developed into another damaging dispute on top of strikes which during the last two months have robbed Leyland of more than 30,000 vehicles.

The latest dispute began when 110 body workers in the West Works body shop at Longbridge stopped in two groups yesterday morning. They were objecting to plans for mobility of labour within the body shop.

By last night, the action of the strikers, members of the Amalgamated Union of Engineering Workers, had halted Allegro output and made 1,900 other workers idle.

Capital expenditure in Leyland Cars has been frozen since the end of last year pending an improvement in productivity and the dispute record.

A meeting to-day will discuss the company's manufacturing programme against a background of losses of vehicles with a showroom value of about £75m. because of recent strikes in Rover, Triumph, Austin, Morris and component factories.

Meanwhile, a peace formula worked out after marathon talks could end the strike by 50 welders at Rubery Owen's components plant, Darlaston, Staffs., whose action has stopped the assembly of Jaguar cars at Coventry and laid off 2,000 men.

Talks on the dispute began on Monday and a peace formula reached yesterday will be put before the men at a meeting this morning.

The welders, who make front chassis cross members for Jaguar want lay-off pay for four days before Easter when they could not work because two compressor house operators were ill.

Their strike has caused the continued lay off of the 2,000 Jaguar workers who were first stopped because of an earlier strike by delivery drivers at Rubery Owen.

Review b to consid closed sh law appe

By Our Labour Corre

THE TUC has appo leading academics and union general secretar the independent rev mittee which will appeals from indivi missed for failing to closed shop agreement

Yesterday's TUC council confirmed that William Wedderburn invited to serve as c the committee, w McCarthy and Mr

Professor Wedd

Doughty as the members.

The principle, of t dent review comn agreed between the Mr. Michael Foot, Employment Secretar Trades Union and L tions Act became law

It will consider a individuals who have missed from their result of having be from, or been refuse to, a trade union in where membership is of employment.

Professor Wedde Cassel Professor of Law at the London Economics, Lord Mc lecturer in Industria at the Oxford Centre and a fellow College.

Mr. Doughty was ge tary of the technical visory section (TAS Amalgamated Union c ing Workers for 22 member of the TU council for six ye retiring in 1974.

Ship workers reject 'asbestos' ferry

BY OUR SOUTH SHIELDS CORRESPONDENT

PLATERS and ancillary workers at Swan Hunter, shiprepairers, of North Shields, are refusing to return to work in the British Rail ferry Holyhead Ferry I because they fear contamination from asbestos dust.

The men's attitude hardened yesterday after the publication of a new report describing asbestos as a potential deadly killer.

The Swan Hunter management, union officials and shop stewards are at a loss as to what to do next. They are satisfied that everything has been done to free the ferry of flying asbestos dust during conversion work and that the vessel is as clear as she can be.

They are backed in this by a report from Dr. J. Steel of the Industrial Health Unit at Newcastle. He is satisfied with all the safeguards and precautions introduced in the ship and described the risk from any dust as neglible.

Even this report, when it was read to a meeting of the ancillary workers yesterday, was not enough to persuade the men to return to the ship.

Mr. John Whitehead, their convener, said that the previously contaminated area in the Holyhead Ferry I was "immaculate" and every precaution had been taken.

"We have urged our members to go back on board, but it is what they cannot see that they still fear. There could still be particles of dust flying about and this is what they are afraid of."

The platers and ancillaries walked off the ship three weeks ago because of dust contamination during the stripping of blue asbestos panels. Other trades have continued to work in the ship.

Return-to-work formula leads to NUR walk-out

BY OUR LABOUR STAFF

A RETURN-TO-WORK formula which on Tuesday ended a strike by craftsmen at the British Rail engineering works in Crewe led to a walk-out yesterday by members of the National Union of Railwaymen.

The craftsmen, mostly members of the Amalgamated Union of Engineering Workers, went on strike last week in protest against a management decision which would have up-graded seven semi-skilled NUR men to skilled jobs.

They returned after management conceded that works committee and craft representatives have a part in deciding when semi-skilled workers should be promoted to skilled positions.

But as the engineering workers returned to the works, which produces the Advanced Passenger Train, yesterday, 1,500 NUR men walked out.

Efforts to resolve the dispute will be made to-day at a meeting of the Railway Shopmen's National Council.

CBI critic of safety paper deta

By David Fishlock, Science Editor

THE CBI accepts the ciples of the Health Commission's recent document on safety tives and committe critical of much of t

It urges in a stateme to-day the need to re practical value of exi arrangements, and to possible value of alt more flexible systems.

More pay disputes forecast

BY OUR LABOUR STAFF

DECLINING LIVING standards will lead to a "much higher level" of industrial disputes in the coming phase of incomes policy than during this year, the executive of the Left-wing technical, administrative and supervisory section (TASS) of the Amalgamated Union of Engineering Workers said yesterday.

In a report to the representative council conference, which meets at Bournemouth next week, it says that as with previous occasions when incomes policies were applied, there has been no immediate fight from the trade union movement. The policy of TUC co-operation had ensured widespread acceptance.

"Our policy has been based on the assumption that as rising prices continue to cut living standards, organised workers will engage in industrial action in order to protect themselves.

"This inevitable process will apply to our members and we must expect a much higher level of industrial dispute in the next period."

The militant TASS section's conference agenda contains many resolutions which echo the warning from the executive about workers' attitudes towards incomes policy and the economic situation.

Branches deplore the Government's failure to bring about a shift in the balance of power and wealth in favour of working people, oppose all forms of incomes policy within a capitalist system and urge the TUC to reverse its policy of supporting Government intervention on wages.

One motion, from Ipswich branch, expresses such disillusionment with Government policies that it urges the union to undertake a "critical appraisal" of its political links with the Labour Party.

The standing orders committee at next week's conference will recommend that resolutions on incomes policy should be referred to the full conference of the four AUEW se month.

Last year, delegate numerically dominan ing section arrived at conference to find th sections had already their minds on pay p

The engineering se tive this year will be ing that its policy-ma committee, which week before the a conference, should c policy issues.

A final recommen be made by the stan committee when th committee meets.

These problems of ordination arise from plete nature of the an of the four sections.

The TASS execu says rejection of full tion proposals by th ing section has in "note of uncertainty" been exploited by th not wish to see an a union.

FINANCIAL TIMES SURVEY

Thursday April 29 1976

Trading with OPEC

For the members of OPEC (Organisation of Petroleum Exporting Countries), as for their customers in the industrialised world, the economic upheavals touched off by the quadrupling of oil prices have to some extent subsided. But these countries, with their new-found wealth, have become the most important of developing markets.

The big new markets

By Richard Johns, Middle East Editor

members of the ... of Petroleum ... Countries the big ... that followed the ... per barrel oil ... the last quarter of ... er. While a handful ... ing to generate sur- ... beyond their im- ... eds, others are in ... borrowing on the ... markets. The ... tations aroused two ... ve subsided to more ... and sober propor- ...

... the apprehensions ... sumers have been ... even the economic ... suffered by indus- ... ntries like Britain ... ave been eased by ... g flexibility of their ... and and by the oil ... cious appetite for ... aving more than ... purchases in value ... e two years from ... ing of 1974, the ... he collective OPEC ... now begun to slow ... ver.

... ult to make predic- ... the demand for oil ... g of it, not least ... the volatile nature ... dle East, where the ... conflict remains ... and the possible re- ... of events there. For ... eing a new equilib- ... ars to have been ... ut, while the world ... to live with higher ... it would be a mis- ... nimse the long-term ... resources brought ... he assertion of pro- ... r in the first half of ... During this period, ... s for each barrel of ... er crude increased from 98 cents per barrel to $11.50. Production rose in the same period, bringing the collective petroleum revenue of the OPEC States from $8bn. in 1970 to over $105bn. last year.

As a result, OPEC's share of imports and of global trade has expanded much faster than that of the rest of the world. U.N. statistics show that members' purchases of goods (in c.i.f. terms) went up by 234 per cent. in the 1970-74 period compared with a world average of 162 per cent. In 1974, the peak period of the petrodollar flood, the discrepancy was less marked *than one might have assumed.* In that year the oil producers' imports grew by 64 per cent. to $32.4bn., significantly but not dramatically ahead of an inflation swollen increase of 46 per cent. for the trading community as a whole. In the first half of 1975 the effects of the quintupling of realised prices really made itself manifest. At $22.3bn. OPEC purchases were up 65 per cent. on the previous year, while the world average showed only a marginal gain of 8 per cent. In real terms imports of the other countries would have actually fallen.

Focus

As the fastest expanding area of trading opportunities, OPEC has, of course, been the focus of concentration and competi*tion for more than the past two* years. At the same time the growth should be seen in perspective. Again, according to the UN statistical collation, members accounted for only 3.2 per cent. of world imports in 1972. This has risen to 4.2 per cent. in 1974, a total of $32.4bn. In the first half of 1975 the share leapt to 5.6 per cent.

It is not surprising that greatly increased revenues took a year to be registered in actual deliveries. For a combination of reasons, including both constraints on absorption like port congestion and the financial restraints of some States, the rate of increase was slowing down by the second half of last year according to available evidence. Yet over the full year *OPEC imports of goods will* have been worth $50bn.-$55bn. (to which one should add another $7bn.-$8bn. for the net deficit for services).

In pressing for a substantial increase in the price of oil the conference at Libreville, Gabon, in June of last year, and at Vienna in September, producing states were at pains to stress just how much inflation has eroded the purchasing power of their revenues. They quoted a variety of statistics which were not wholly relevant. Perhaps the most detailed and authoritative examination of the question has been done by the Tokyo-based Economic Research Institute for the Middle East. Its revised estimates put the average increases in prices paid by OPEC countries (f.o.b.) at 28.6 per cent. in 1974. For many members — notably, Nigeria, Iran, Saudi Arabia, and Iraq — the costs of insurance and freight would have added significantly to the bill because of port congestion.

The 10 per cent. price rise imposed last September for a nine-month period—a compromise between Saudi Arabia and the militants who wanted *20 per cent. or more—would* only have been enough to cover a small part of the combined effects of inflation, increased imports and lower oil production. OPEC output in 1975 was down 11.5 per cent. on 1974. Revenue would have been slightly more overall, because members enjoyed for a full year the per barrel increments obtained in 1974—together amounting to a price increase of rather more than 25 per cent.—for the full calendar year, as well as the 10 per cent. addition during the last quarter. At the very most the collective surplus would not have been more than the $41.65bn. (before aid disbursements) estimated by the U.S. Treasury. It may have been very much lower.

The Bank of England's calculation, which includes bilateral loans to developing countries and contributions to international organisations, arrived at a figure of $31.5bn. for the 1975 OPEC surplus. And is difficult to define because in the broader sense it includes loans which should be regarded as investment. As it is, the Organisation *for Economic Co-operation and Development has recently calcu*lated that total OPEC aid disbursements rose from $4.6bn. in 1974 to $5.6bn. in 1975. For the two years the amount of concessional aid (containing an effective grant element of at least 25 per cent.) was $2.54bn. and $2.59bn.

All these generalisations, of course, obscure the very different circumstances of OPEC members. On the one hand, there is the United Arab Emirates with an oil revenue of $5bn., a population of 600,000 and a per capita income approaching the $15,000 mark. On the other hand, Indonesia has a population of 130m., a net petroleum income running at the rate of about $3bn., and a per capita income of only $130. Last year at least three-quarters of the investible surplus would have been in the hands of Saudi Arabia (up to $19bn.-$20bn.), Kuwait ($5bn.), Abu Dhabi—as opposed to Dubai and Sharjah who are also part of the UAE —($2bn.), and Qatar ($1bn.).

Alone of the others, Venezuela recorded a significant rise in its reserves of $2.3bn., but this would all have been committed for development projects *to be carried out in the recently* finalised five-year plan. The leading Latin American producer will soon be resorting to the international market for money. Iran was expecting a payments deficit for its financial year which has just ended and now anticipates a shortfall in revenue in 1976-77 of over $3bn. Last year its State agencies borrowed $300m. from the Euro-market. *So, too, did the govern*ments of Algeria ($500m.), Indonesia ($1.53bn.), and Ecuador ($55m.). Iraq raised its first syndicated loan of $500m., although it has yet to draw upon it. The run-down in Libya's published gold and foreign exchange reserves from $3.61bn. to $2.19bn. in the course of 1975 indicates that it spent more than it earned.

In their anxiety to capitalise on their present strength and concerned about the wasting nature of their asset, all the producers have aimed at maximum absorption of revenue. In the process they have stretched their infrastructure to the limit and suffered severe economic strains. In the Middle East, particularly, the result has been acute port congestion and shortage of skilled manpower. In general, the flood of petrodollars unleashed by big Government spending programmes has been almost as inflationary as the rise in the cost of imports. It is a price that OPEC members are prepared to pay.

The financial squeeze felt by the majority will ensure that pressures for a substantial oil price increment will be strong when OPEC ministers meet in Bali at the end of May. Once again Saudi Arabia has been able to back its policy of *moderation with its power, as* "swing producer" to raise output and, thus, keep prices stable on the market. From the point of view of market conditions, a price rise of more than 10 per cent. could not have been justified or tenable last autumn. At the last ill-fated conference in Vienna before Christmas, the big issue had been Iraq's trimming of prices before the ministers were taken hostage. Now with signs of demand recovering—in February OPEC output was 7 per cent. up over the previous year's level—the militants may have a stronger case.

Regardless of the outcome of the Bali conference, the OPEC market is expected to expand very much less slowly in 1976 than it did in 1975. The U.S. Treasury's projections indicate an increase of about 20 per cent. overall and this would appear to be a reasonable estimate. Even at this reduced rate, the oil producers collectively will continue for the indefinite future to offer the fastest growing market. For the industrialised countries, it will be as imperative as ever to obtain the biggest slice possible of the cake.

Strains

Performance has varied widely. Recently published figures show that Britain lagged well behind its competitors in the 1970-74 period, its 165 per cent. growth in these markets comparing badly with one of 444 per cent. by Japan, 320 per cent. by West Germany, 315 per cent. by Italy, 228 per cent. by the U.S. and 218 per cent. by France.

However, last year U.K. sales to OPEC, worth the equivalent of $4.1bn., were 70 per cent. above the 1974 level, a significantly better achievement in relative terms than its leading competitors'. In 1975 the U.S., the European Economic Community and Japan all succeeded in bringing down their trade deficit with the oil exporters. Though reduced by $21bn., it was still very large at $39bn. Despite the way in which the consumers—industrialised and developing—have accustomed themselves to higher oil prices, it would be naïve to pretend that monetary and economic problems arising from the energy crisis of 1973-74 had been anything like solved.

IRAN

Slower growth forecast

IN THE past the Iranian market has been unquestionably the most important among the Middle East oil producers. Not only is its economy more evolved and diversified than any other OPEC member in the region, but Iran also has a much larger population. In terms of population, Iran's 35m. is greater than all the other Middle East oil producers put together. Accordingly the Iranian market has traditionally received the most attention.

However, this situation has been changing over the past year as Saudi Arabia and Iraq have really begun to spend very substantial sums. Also there is no doubt that a number of Western exporters have begun to diversify their attention away from Iran because of difficulties in fixing up contracts, infrastructure problems — especially port delays and communications — and problems resulting from a tough and at times rather crude Government attempt to control prices. Added to this the pace of the economy has slackened over the past six months because of financial constraints imposed by a shortfall in oil revenues. These factors taken together mean that the market will expand more slowly, certainly over the next year, and foreign exporters will view the Iranian scene with less enthusiasm and more realism.

The atmosphere of 18 months ago—uncontrolled boom conditions with both the private and public sectors giving the impression of endless money to spend and virtually any deal considered—is happily now part of history; and best forgotten. The future size of the market will depend principally upon three factors: the extent to which oil prices rise, the extent to which other non-oil sources of foreign exchange can be found, and the extent to which the Government is prepared to borrow abroad to finance development.

Although there are imponderables within these three factors, one can nonetheless give an indication of the general direction. On oil income it seems that foreign exchange expenditure is likely to exceed any increases in oil revenue, certainly in the near future. Total oil and gas revenues this year will be around $21bn. which, with obligations excluded, leaves about $17bn. to cover imports of goods and services, about the same as in 1975. Important non-oil sources of foreign exchange do not yet exist—total non-oil exports are unofficially reckoned to be $700m., of which over half comes under special bilateral trade deals with Eastern Europe. Only by 1980 will copper sales have an impact, generating around $300m. a year.

Therefore the expansion of the import market will hinge on how much the Government is willing to borrow abroad. This year banking sources reckon that the borrowing requirement will be $1.6bn.—underlining the Government's intention not to let overall growth slip below 15 per cent. This, of course, is high by most standards, but when compared to the 43 per cent. experienced in Iran two years ago it is quite a slowdown. The size of the market last calendar year (Iranian statistics are based upon a fiscal year ending in March) was $10.3bn., almost 100 per cent. up on the $5.5bn. of the previous year.

It must be stressed that these figures relate to sales to Iran of non-military goods. And this is one of the problems in assessing the Iranian market. Probably just under one-third of total imports are either directly or indirectly associated with defence. Defence expenditure abroad last year was in the region of $4bn. and Iran is without a doubt the single most important source of military sales for the U.S. and Europe in OPEC. The fact that military sales are not always disclosed or are accounted for in disguised and different ways makes it difficult to gain an accurate picture of the country's total import bill except by looking at the balance of payments.

The composition of sales to Iran has remained relatively static even though volume and price have increased. Consumer goods occupy a small part (10 per cent.), capital goods and intermediate goods taking up 25 per cent. and 65 per cent. respectively. The single most important sector is industrial goods, which absorbs 72 per cent. of total imports within this sector. The main areas are electrical and mechanical machinery (25 per cent.), and iron and steel products 19 per cent.). In calendar year 1975 imports of mechanical and electrical machinery rose from $1.3bn. to $2.5bn., while imports of iron and steel products went from $1.04bn. to $1.9bn. The most spectacular increase was in the import of vehicles and parts—from 453m. to 1.8bn. Of this roughly $560m. was accounted for by imports of private cars. On the consumer side the need for foodstuffs was underlined by a jump in cereal imports from $329m. to $606m., and in sugar imports from $102m. to $418m.

Demand

These increases reflect the tremendous demand for industrial raw materials and industrial plant and machinery. Where possible the Ministry of Commerce is attempting to liberalise trade by lowering tariffs. Local industry, particularly carpets, clothing, textiles, furniture and automobiles, is heavily protected, but the intention is to make it more competitive. The policy has been to lower tariffs where urgent development needs have made imported items essential.

In the last calendar year the U.S. replaced West Germany as Iran's leading supplier of non-military goods, totalling $2.4bn. The U.S. now provides just under 20 per cent. of non-military imports, followed by West Germany (17 per cent.), Japan (16 per cent.) and the U.K. (8 per cent.). One of the surprises has been the ence of India as an im[p] trading partner of Iran, is now sixth, ahead of It[aly] the Netherlands. With a cent. share it is just France. India's rise has been due to substantial s of sugar and cement. between the two coun bound to increase follow signature of a $650m. i supply deal with India.

According to the Bo[ard of] Trade, Britain's exports last year reached nearly double that of t vious year. The main ite[ms] mechanical and e machinery and transpor ment worth £278m.

In the aftermath quadrupling of oil reve 1973, the Iranians show enthusiasm for prome lateral trade deals. Ov these have now been with countries ranging f U.S., Britain, and Fr Poland, Bulgaria, Pakis South Korea. The aim provide a broad frame co-operation, to identi outside Iran for Irania ment in joint ventures promote Iranian expo signature of these de ever, gave rise to a g of confusion. Superfi seemed as though hu deals had been sig sealed—like the anno of $15bn. with the U.S with Japan, $5.5bn. w Germany. In fact thes were extremely notio depended upon the r of specific projects w to be finalised. Thus, ties these agreements come little more tha umbrella for trad mainly useful as a fi for government to go co-operation if difficul

Robert G

IRAQ

State buying

"IRAQ," a British diplomat in Baghdad remarked recently, "is a country for the strong." It is not an easy place to get into, it is not particularly comfortable to stay in, and its officials are not very forthcoming with help and information—being less used to Western business methods than the Iranians or the Arabian Peninsula Arabs and slower to accept new visitors and new companies.

But once a company has made its initial breakthrough, with a major sale or the successful completion of a contract, it can expect a steady flow of further business, with the initiative coming from the Iraqis themselves. This statement is perhaps something of a platitude, applying as it does to most Middle Eastern and other Third World countries, but in Iraq it is especially true, because the State controls more of the economy than in most other Arab republics and is steadily increasing its dominance.

In the face of the challenge presented by Iraq, British exporters have not done well. Throughout the 1960s Britain remained Iraq's principle supplier, but in the last five years or so it has been overtaken not only by the USSR but also by France, Japan, West Germany and the U.S.

The passage of time has eroded Britain's traditional advantages left over from the 1950s—namely the Iraqi public's preference, based on familiarity, for British goods, and the spare parts and replacements market. At the same time British exporters seem to have been hampered by sheer ignorance. They have been unaware of the opportunities offered by Iraq and of Iraq's interest in doing business with the Western industrial countries, they have been put off by the difficulties of working in Iraq—preferring the easier and more friendly environment of the much smaller markets in the Gulf—and apparently in some cases potential exporters have actually feared for their physical safety.

The Iraqi Government is not, of course, very pro-British. From the end of 1971 until April 1974, there was a break in diplomatic relations, and even now relations are not close, with the Iraqis feeling that the British Government is not sufficiently sympathetic to the Arab cause in the conflict with Israel.

It is their political sympathies that have given the French such a big advantage in Iraq over the past few years—but politics is still not the sole determinant of Iraq's trading preferences. The U.S., despite having no diplomatic relations with Baghdad, has recently landed some huge contracts, including the $200m. re-equipment of Iraqi Airways with Boeings, port expansion being carried out by Brown and Root, a $1.1bn. petrochemical plant in Basrah being built by a U.S.-German consortium, and substantial grain and rice sales.

Underwrote

In general the Iraqis are anxious to balance their close relations with the Russians (who virtually underwrote the country's development between the nationalisation of the Iraq Petroleum Company in June, 1972, and the oil price rises of autumn 1973) by opening their economy to Western exporters —something which has only been possible on a major scale Iraq has had plentiful hard currency during the past two and a half years.

This policy has led to the conclusion of bilateral package deals or decisions to form joint trade and development commissions with a number of Western nations including Italy, Japan and Britain. The Anglo-Iraqi commission was originally agreed upon last year, when representatives of the two countries initialled sets of minutes, but since then the Iraqis have come back with a series of revised proposals which seem unlikely to be acceptable to the British side.

The close involvement of the exporting countries' governments, though, is still bound to be a necessary supplement to the sales campaigns of the exporting companies simply because on the Iraqi side the import business is run almost entirely by the State—the only exceptions being private sector contractors which may import building materials if they are unable to obtain supplies locally.

The Iraqi export business of course is also run exclusively by the Government, with the State Organisation for Exports controlling the Iraqi Fairs Administration, the Iraqi Export Company and the Iraqi Dates Administration—which sells some 700 tons of dates a year for the manufacture of HP Sauce.

In taking control of virtually all foreign trade the Government has taken over the role of the import agents, detested by the Baath Party as unproductive middlemen and exploiters of the people—and to ensure that no "unlawful intermediaries" (fixers) continue to operate inside or outside the Government it passed last January Law No. 8 of 1976 containing characteristically draconian penalties for corrupt practices. Any Government servant accepting a commission now faces the death penalty, while foreign companies found to be offering bribes are liable to be blacklisted.

Despite the many difficulties facing exporters the potential of the Iraqi market is enormous. The 1976-80 five year plan, which is due for publication in the near future, is expected to involve expenditure of ID13bn. ($43bn.), with equal emphasis on agriculture and industry.

Within the industrial sector the emphasis will be on heavy industry (though a light industrial centre is now in the process of being established at Baquba), with the key areas of expenditure being identified as: oil, where capacity is expected to be doubled over the next five years; the utilisation of natural gas (85 per cent. of which is now flared) as a feedstock for fertilisers, and petrochemicals and a fuel for aluminium and steel production; and building materials industries, where the production of cement should be quadrupled by 1980.

A lot of the growth rates forecast in the new plan, which is supposed to take GDP from $11.7bn. in 1974 to $25.8bn. in 1980 (at constant 1974 prices), are overoptimistic and the projected expansion of public sector manufacturing from under $300m. to $1.9bn. is pure wishful thinking. On considerations of labour supply alone the attainment of the manufacturing target will be impossible.

There is also something of a question mark over the availability of sufficient oil revenues to carry the plan through. At one point last year the Government was forced to hold back on signing some contracts when there was a drop in the country's monetary reserves caused by the coincidence of a fall in oil production and down-payments made on a number of major contracts.

The Government, however, has not yet drawn on the $500m. loan facility arranged last summer, and given the degree of State control over the import business in Iraq it is always easy for the Government to clamp down on the import of "luxury" consumer goods (durable and non-durable) and to reduce the generous travel allowances, now standing at ID500 (about $1,650) per person on a first trip outside the Arab world each year and ID200 for a second trip.

Last year it is estimated that some $250m. of foreign exchange was issued in Iraq for travel purposes, while the increase in wages and salaries which followed the settlement with IPC in March, 1973, and the oil price rises later that year led to an enormous expansion of consumer imports. The standard of living enjoyed by Iraqis has increased considerably during the last five years, with skilled and semi-skilled labourers such as building workers and drivers earning wages which stand comparison with Western rates.

Michael Field

SAUDI ARABIA

Plan targets

SAUDI ARABIA offers by far the biggest OPEC market in terms of development spending targets. Expenditure under its 1975-80 five-year plan is projected at Saudi ryals 498bn. ($142bn.)—more than twice Iran's target and nearly three times Venezuela's. But in terms of consumers, Saudi Arabia's market is only around a fifth of the size of Iran's. Last year's census showed a population of 7m. Saudis and 1-1.5m. non-Saudis, though many observers would estimate the Saudi population at under 4.5m.

Lack of manpower is therefore one of the major obstacles to developing the economy away from its almost exclusive dependence on oil (90.7 per cent. of current budget revenue is from oil). The development plan calls for the immigration of 500,000 workers, but assumed last year that only 314,000 foreign workers had been attracted to the Kingdom so far. Even so, the deficiencies at professional and administrative levels are likely to remain, since increases of 120-140 per cent. in these categories of personnel are demanded in the five years to 1980.

Concerned at the somewhat haphazard recruitment of manual labour from among Yemenis, Pakistanis, Indians, and so on, the Saudis have now made it obligatory for foreign companies undertaking contracts worth more than SR.100m. ($28m.), or lasting more than three years, to provide their own labour force and accommodation for it.

Another major bottleneck in the rapid development of the Saudi economy is the choked-up ports, where the waiting time for unloading ranges from 120-140 days at Jeddah to 90 days at Dammam. The ports need quicker relief than the SR6bn. programme to expand their capacity to 13m. tons a year by 1980, and various temporary expedients such as Mulberry docks are being considered. The Government is confident that the problem can be solved fairly quickly. One Minister recently said in London that it would be 80 per cent. solved in 3-4 months; another thought a year or so would be needed.

Delays at the ports have encouraged the growth of overland transport from Europe by lorry and also airfreighting, but these methods too have run into snags. The arrival of the goods in Saudi Arabia does not in any case mean the end of the problem. Storage and distribution are likely to cause headaches for importers. This is why the development of physical infrastructure as a whole has been allocated the biggest slice of the whole plan —SR.113bn. or about 23 per cent.—and road construction has been given SR14bn.

The other major bottleneck is the difficulty of obtaining materials and technology on the scale and within the time-limits demanded by the plan. This applies especially to construction projects. Major building programmes planned by the various ministries at SR258bn. amount to around half the total plan expenditure and rising social expectations and the influx of immigrants require 75 new municipalities, over 30 new towns and 100,000 houses to be built.

Certainly, in the field of water desalination, Saudi needs over the years to 1980 seem to outstrip the capabilities of the world's suppliers of plant. The Saudi programme for water, of which desalination forms about three-quarters, has already been more than doubled from its planned total of SR34bn., and the country is aiming to produce more sweet water than the rest of the world put together by 1980.

Inflation is likely to cause further problems too. A rate of 10 per cent. was allowed for in the plan, but last year it was generally reckoned to be 20-30 per cent. At the same time, the growth in money supply shows no sign of slowing down. In the 12 months to April 1975 it went up by 50 per cent., after a 41 per cent. expansion during 1974.

Foreseen

Despite these problems—most of which were foreseen by the planners, though perhaps not quite on the scale being experienced—Saudi leaders reject suggestions that they have already given up hope of achieving the plan targets, though it is admitted that some projects have been rescheduled to give even greater emphasis to infrastructure. This probably explains partly why the big industrial projects — including refineries and petrochemical complexes and fertiliser, steel and aluminium plants—still have not become the subjects of final agreement between the Saudis and the foreign firms who are to build them in joint ventures.

However, the smaller, private sector industrial projects are gathering momentum, helped by 2 per cent. finance from the state Saudi Industrial Development Fund, which lends up to 50 per cent. of the total costs of a project (80 per cent. in the case of electricity projects). So far, the SIDF has committed a total of SR.2.305bn. to 127 projects, including SR1.241bn. for 49 electricity These projects incl ventures with foreig —for instance, the plant to be set up Sumitomo companies and the local Alireza

However, the m smaller and me operations are plant facture building mate cultural equipment a variety of household mercial items. In Lo week the Minister o and Electricity, Ghazi said British firms had to take advantage smaller-scale industr tunities. Britain's n cesses in Saudi Ar been in construction sulting engineering w firms are deterred fro ing business there by contract conditions, lar the requirement cent. of the contrac be deposited in adv performance bond. kind of easing of t by the Saudis is repo on the way.

The present lack o turing capacity mean tured goods make 70 per cent. of imp machinery, transport trical equipment t items. There are restrictions, given th of Saudi Arabia's int reserves at $23.7bn., its payments surplu effect import prices price levels as a wh Kingdom. Thus on (mainly consumer) i duty, at 20 per vent., encourage local indu are subject to only a tariff

OECD statistics Japan overtook the U. Arabia's leading supp first half of 1975, re phenomenal 148 per crease over its perfo the first half of 1974. countries—with totals and $537m. respect a long way ahead of industrial states. Wes raised its sales by 11 over the first half $242m.: the U.K. by 6 to $205m.; Italy by 6 to $114m.; and France cent. to $89m.

The Americans ar to be too upset at wh to be the loss of t tional lead in the Sau Links through Aram remain strong, after of the nationalisati many of the rising Sa crats are U.S.-educ Americans occupy a the Planning Minist handling the vast s revenues.

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TRADING WITH OPEC III

KUWAIT

A welcome slowdown

:OULD perhaps look ening in demand for year with greater than any other mem- PEC except Saudi th lower petroleum and income it was to generate a very us in 1975, albeit a than in 1974. Unlike ig producers of the l built up adequate nities and infastruc- before the 1973-74 tion.

of increase in im- uture will not be ke Algeria's by lack like Saudi Arabia's rptive capacity low to income, but rather nits to its require- hose qualifications balanced, however, ition of the fact that s facing a period of development far n is generally appre- by its own citizens.

OPEC Kuwait is that it has long en- income dispropor- population only now ove the one million many years Kuwait ld's largest importer ta terms, though it been overtaken by Arab Emirates. An of the relatively levelopment of the e seen from the fact AE with less than opulation imported uch last year. As it dt's imports per- crease in last year n that of OPEC as a member of OPEC. It is is estimated that oil revenue accruing for that period would have declined by 11-12 per cent. from $8.2bn. to $7.3bn. This was, however, largely off-set by a marked rise from investment income which rose by about 70 per cent. to over $900m. in the 12 months to the March 31. (The financial year has been extended three months to put it on a July-June basis from 1976-7 onwards.)

Actual state expenditure for 1975-6 was originally set at 826m. Kuwaiti dinars ($2.8bn.) and may have reached over $3bn. On a governmental level this was still sufficient to give a surplus after stepped up aid disbursements of $3.5-4bn. (depending on what one classifies as aid). This was less than the $5-6bn. or so available for the General Reserves in 1974-75 but still a very substantial addition to the States investment which now incorporates assets worth in excess of $12bn.

me time the 19.2 per Kuwait's oil produc- in average of 2.54m. day (including its Neutral Zone output 'd was greater than ded by any other

Favourable

In balance of payments terms Kuwait was in an even more favourable position. Non-petroleum exports, with fertilisers particularly prominent, would have covered about a quarter of imports. Not the least because of its earnings from shipping there was only a small deficit on the invisible account — which would have been covered several times over by income from private investment. In the early part of this year oil production again dipped below the 1975 level and the budget for the new fiscal year 1976-77 has been put at KD1bn. ($3.51bn.), but another substantial surplus is in prospect.

To judge by the statistics of the Organisation for Economic Co-operation and Development, whose members probably account for more than three-quarters of Kuwait's purchases, imports rose by 55 per cent. last year to about $2.25bn. following an increase of at least 70 per cent. in 1974. The State's own figures, which do not include military supplies and ships, would tend to understate the total. They show, for instance, imports (in c.i.f. terms) to have risen from KD310m. in 1973 to KD455m. ($1.54bn.). In 1974 no less than 50 per cent. of imports were consumer goods, the highest level for nearly a decade (although the proportion never fell below 40 per cent. in this period). Intermediate goods, including building materials, accounted for 38.4 per cent. and capital goods for 10.2 per cent. in that year.

Relatively speaking Kuwait may present a very different picture from the other oil producers in so far as, recently, more oil revenue has been deployed outside the State than within it. Development is not a word one hears much there and last year the Planning Board was formally demoted in importance with the decision to make it responsible to the Ministry of Finance rather than the Council of Ministers.

Nevertheless, Kuwait is on the verge of a very intensive programme of internal development. As a leading merchant put it earlier this year, "Kuwait, although the first into development, was the slowest. Government spending is only just beginning." It will be matched by a very heavy investment by the private sector in construction.

First and foremost there is the development of gas resources and a petrochemical industry which by the early 1980s will involve an investment of some $3bn. In itself the basic Liquid Petroleum Gas project being carried out by Kellogg International in conjunction with Bechtel will cost $1bn. Whilst LPG projects will be exported, it is also planned to construct complexes for olefins and aromatics. This very considerable expenditure will be over and above the appropriations in the State's development budget.

Housing

That, too, is true of the housing programme which is regarded as the main social priority. Charged with the task of ensuring construction of at least 28,000 new units by 1982 the National Housing Authority was set up with a modest capital of KD200m., but its spending in this period could amount to as much as $1.5bn.. This will be matched by the efforts of the private sector, aimed largely at expatriates, in what is a very profitable field.

Looking further ahead the Government is thinking in terms of building a second city about 15 miles south of Kuwait's existing urban centre to house as many as 200,000 people. They would be linked by a rapid transport communications system. In 10-15 years time this may materialise, but in the meantime very large infrastructure developments are in prospect.

In parallel with this continued infrastructure development Kuwait is embarking on a massive "civic" construction programme aimed at giving it better public amenities, more prestigious institutions and the distinction which it now lacks —but which its wealth almost demands. A second objective is to provide recreational facilities that were neglected in the city's rapid, piece-meal growth in the 1950s and 1960s.

Building of commercial property is proceeding apace and the private sector is also pressing ahead with industrial projects. The kind of construction activity which the State now faces could result in severe economic stresses, especially with labour supply which is already very tight and expensive. Escalating costs and the possibility of bottlenecks other than the manpower one are considerations that contractors bidding for projects in Kuwait should bear in mind, especially given the State's stiff contract terms.

In the face of them British companies withdrew some 15 years ago to concentrate on easier pickings elsewhere. Not one project is being undertaken by a U.K. contractor at present although British consultants are very active. Regulations are now being revised, escalation clauses are being written into contracts, and the tendency is for the Government not necessarily to choose the lowest bid (as they are encouraged by law). It remains to be seen whether British concerns will enter into this competitive market more successfully and purposefully than they have done recently.

Richard Johns

ITED ARAB EMIRATES

onstruction boom

of the walls in the he Dubai Chamber of scores of memo- pinned to a display ach piece of paper a foreign trade dele- ning to visit the ading capital of the ab Emirates. They from all over the n Arizona, Taiwan, id, Kenya and South Abu Dhabi it is the he Chamber of Com- received 39 delega- ear. And this does numerous official led by ministers, nts and chancellors to Abu Dhabi and without signing an for economic co- Most come looking n the huge contracts ey come hoping for term loans.

abi's generous aid ve attracted many ding to develop their ial through outright ough the Abu Dhabi Arab Economic it which hands out concession rates. is currently running ent. of Abu Dhabi's e, and while the accountants and ncreasingly express rn at the Ruler's Sheikh Zayed con- xtend aid to most

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venue has not gone tically, for 1975's mounted to 15bn. ily a slight increase which was just over ffshore oil company, ich is 60 per cent. by the Government, a drop in production .5 per cent. Total oil for that year began er a million barrels by the end of the ached 1.4m. b/d and o recent statements Minister, it is now up /d. So although oil is creeping up in AE budget this year rom last year's 2.2bn. o about 4bn. An 1.75n. dirhams is to n development and ects, with many eceiving double what 1975. Already some Government depart- difficulty in spend- lotments—the Public stry only managed to er cent. of its alloca- r. With such massive t programmes, some officials are saying at foreign aid alloca- not be so high this

bi also puts aside an 1bn. annually for the habi Investment a newly created body les a foreign investment portfolio of some $2bn. The funds are viewed strictly in a commercial light and are aimed at providing a nest-egg income source for the day when the oil runs out. The fund was until recently run from London, but now the Authority will be Abu Dhabi-based and the Board will comprise mainly of prominent local personalities, and only two foreign advisors. Some changes in the placements of investments can be expected.

Abu Dhabi's Fund for Arab Economic Development was originally set up to help Arab countries, although 14 African and Asian countries are benefiting from its soft loans. In the past two years the Fund has committed 62m. dirhams in loans and by the end of this year it will have promised a total of 1.08bn. dirhams (£147m.) in loans. However, increasing attention is being given to the viability of the projects to which the Fund is asked to contribute. Abu Dhabi also gives outright gifts to the Arab combatant countries and on the recent visit of President Sadat of Egypt, Egypt received another $150m. and further promises of contributions to the Fund which has been set up by Saudi Arabia.

One of the most exciting financial projects being planned with the UAE, in conjunction with Kuwait, Qatar and Bahrain, is the monetary union which has now been given a target deadline of January 1, 1978. Plans by the technical committees have got as far as note design, and now the whole project has been handed back to the Gulf political leaders for final decision. Increasing interest has been shown by Saudi Arabia and at the last meeting of the officials of the four central banks Saudi Arabia sent along a representative. On the recent visit of King Khalid to the UAE, representatives of the Saudi Arabian Monetary Authority continued their informal consultations with UAE officials. If Riyadh opted to join the union, then the new currency would certainly rank with any of the major European currencies.

The UAE's trade imports have considerably broadened since the time when most of its requirements came from Europe, and the current number of countries importing into the UAE now totals 105. Just three years ago, imports to the UAE stood at over 3.2bn. dirhams, by the following year it had jumped to 7.1bn. and the first half-yearly figures for 1975 show yet another increase of 90 per cent. Dubai, with its large port which is currently being increased by another 22 berths, is receiving over 500m. dirhams worth of imports every month.

British exports to the UAE slipped from their top position in 1970 when it generated 26 per cent. of the total. This share slipped to 21.7 per cent. in 1971 when the U.K. was overtaken by Japan. The league table has remained the same ever since. The U.K.'s share in 1974 was only 15.2 per cent. In value, the year 1975 registered an all-time high, of over £198.65m.—more than double the amount recorded in 1974. In the Abu Dhabi sector Britain leads, and in the month of December, exports to Abu Dhabi alone were valued at £10m., and in Dubai British trade doubled from £53.815m. to £104.83m. In other emirates, the rise was spectacular, from a total of £470,000 in 1974 to £2.46m. last year.

Target

The Abu Dhabi half-year figures for 1975 show that Britain was by far the largest supplier of goods with imports worth 419m. dirhams. Next comes the U.S. with 279.2m. dirhams, West Germany with 245m., Japan with 214.9m., Lebanon with 88.9m., France with 82.4m. and Italy registering 56m. worth of exports. These figures show that not only does the British share of the Abu Dhabi market now approach a quarter of the total (over 23 per cent.) but that nearly half of all Abu Dhabi's import requirements originate in the EEC.

The U.K. loses out on the total UAE imports because of the large number of Japanese cars imported into Dubai. Japanese car sales now dominate the market there, having captured 70 per cent. of the market. However, this position could change with the launching of British Leyland in the UAE in October after a six year absence because of boycott listing.

By far the largest sector in UAE imports is equipment for the booming construction industry which absorbs more than 50 per cent. of all imports. In the first half of 1975 imports into Abu Dhabi of machinery and transport equipment for the construction industry amounted to over 914m. dirhams. The next largest category is oil equipment which accounts for 30 per cent. of imports, with consumer goods being roughly 15 per cent. and foodstuffs about 10 per cent.

In the future, the U.K. will have to keep an aggressive sales stand to maintain even her second position in the UAE imports league table. In Abu Dhabi, officials believe that the U.K.'s current position could be eroded as other countries make their pitch for a slice of the soaring import bill. The U.S. has just opened an office in Dubai to provide services for visiting American businessmen, the French are trying hard, the West Germans are steadily progressing and the Japanese continue to maintain their leading position.

Kathleen Bishtawi

ALGERIA

Cut-back fears unfounded

ALGERIA'S RECOVERY of its leading position as an exporter of oil and gas to Europe this year is causing British exporters to look again at the big market there following a slight lull in activity last summer. Fears that the country might have to cut back on its impressive development plans *because of the decline in oil* sales abroad last year and a rising import bill now appear unfounded.

Although the trade surplus recorded in 1974 has turned into a deficit, which is estimated to have totalled between 3.5 and 4.4bn. dinars (£440 to £550m.) in 1975, the country has been able to raise almost £1,000m. on the Eurocurrency market, as well as several tens of millions of dollars worth of export credits, since last June. This has enabled the Government to finance the trade deficit while maintaining an annual investment rate of 40 per cent. of Gross Domestic Product, one of the highest rates among developing countries.

Investment this year is to total 26bn. dinars (£3.25bn.), part of the overall Four-Year Development Plan which runs from 1974 to 1977 and envisages a total expenditure of 110bn. dinars (£13.75bn.). Of the 26bn. dinars to be spent this year, 17.335m. is to be invested by the big public-sector industries using funds raised on a medium- and long-term basis from the Treasury, local and foreign banks. Another 8.685m. dinars is to be spent on capital equipment and supplies from funds provided directly by the Treasury.

Most of the public-sector investment this year, 11,870m. dinars or 67 per cent. of the total, is to be spent on industry. Expansion of oil refining capacity, the installation of new gas liquefaction units, gas pipelines and pumping stations as well as the expansion of the gas processing and petrochemical industries are to receive priority.

But increased attention is also to be devoted to the development of the country's heavy and light manufacturing industries, including expansion of the big iron and steel works at El-Hadjar near Annaba, to help replace costly imports of industrial supplies, foodstuffs and consumer goods. New projects for the manufacture of automobiles and industrial vehicles, electrical goods, aluminum products, prefabricated housing and textiles are to begin this year while imports of the industrial machinery, mobile building units, food-processing machinery, transport equipment, cement and other raw materials needed to continue on-going projects are expected to increase.

The public sector companies also plan to spend 1,343bn. dinars this year on transport as well as 1.06bn. on rural development and 1bn. on housing and urban development. Expansion of the country's industrial zones at Arzew, Skikda and Annaba along the coast is to cost another 245m. dinars in 1976. Expenditure on telecommunications, tourism and setting up new trade and distribution outlets is to total just over 1.18bn. dinars.

Education

Expenditure on capital equipment and supplies this year will be concentrated in the education and social services sector, agricultural development and infrastructure. More than 1.8bn. dinars is to be spent on education and vocation training—part of the Government's plan to make the country fully industrialised by 1980. This year alone the Government aims to provide 125,000 new places for primary school students, 66,000 for secondary school, and 7,500 for universities and institutes of higher education. The number *of places at the University of* Annaba is to be raised from 2,000 to 9,000, and construction work on institutes to train oil technicians and medical staff is to begin this year.

Expenditure on capital equipment for new dam construction, irrigation machinery and water resources development is to cost just under 1.48bn. dinars in 1976, while infrastructure projects, including the import of equipment for the construction of a new port near Arzew, road-building equipment and rolling stock for the expanding rail network, is to cost 630m. dinars. In addition, 705m. dinars is to be spent on infrastructure projects in the social services sector such as the construction of 75 new public health centres and 25 new medical clinics this year.

Britain's share of this big market has lagged behind its major competitors in Western Europe, *the U.S. and Japan over* the past few years. This is despite Britain's increasing dependence on supplies of Algerian oil and natural gas which pushed up its import bill in 1975 to just under £87.5m., 140 per cent. higher than in 1974. But there are signs that the situation is improving somewhat for British exports, which rose by more than 43 per cent. to £78.6m.

Two other factors should help raise British exports even more this year: the increasing diversification of imports away from France, Algeria's major supplier, and the successful conclusion of a new preferential trade agreement with the European Eeconomic Community in January. The diversification of imports away from France reflects the Algerian Government's growing concern about its massive trade deficit with France which totalled almost £650m. last year and led to the cancellation of major contracts with several French firms—including Renault, Saviem and Berliet — and the rejection of the French Secam colour television system. It is thought that, at minimum, the EEC agreement will help ease credits and payments difficulties as well as ease customs clearance procedures and delays over documentation which exporters to Algeria often find unusually time-consuming.

In London another hopeful sign is the increased coverage being provided by the Exports Credit Guarantee Department which now provides greatly-improved cost-escalation coverage for contracts worth more than £3m. ECGD's provisions covering performance bonds have also been improved in the past six months and at least one major Algerian contract has been won by a British firm using the new coverage. In Algeria, where the ability to provide supervision of start-up operations and initial production for as long as two years can make the difference between winning and losing a contract, such help is vital.

But a greater flexibility on the part of British firms in terms of payment, credit terms and the provision of technical assistance and training is also needed. Despite poor Government credit facilities, for example, Italian manufacturers managed to increase their market in Algeria by more than 70 per cent. last year because of a willingness to accept payment in hard currencies other than dollars combined with aggressive marketing techniques.

British firms which operate in Algeria as subsidiaries of U.S. companies or in partnership with other Western European firms are also doing well: Procon Great Britain, an affiliate of Universal Oil Products of the U.S., is building a $200m. oil refinery in Bejaia in partnership with Technipetrol of Italy. Finance for the project is being provided by Lloyds Bank under an ECGD guarantee as well as by other U.S. banks and Government agencies.

For medium—and small-sized firms, entry into the Algerian market can often mean the promise of even bigger contracts later. Merlin Construction won two contracts worth an estimated £14m. in February to build 1,260 apartment units, *based on a British-designed pre-fabrication system*, in Mostaganem. It now expects to receive orders for an additional 1,000 housing units during the next year or so.

Pamela Ann Smith
Middle East Economic Digest

LIBYA

Ambitious plans

LIKE OTHER North African countries, Libya was adversely affected last year by the lowered world demand for oil and the greater competitiveness of crude oil coming from the Gulf States. But the price rise of 10 per cent. agreed by OPEC producers in December helped to bridge the gap.

North African producers traditionally charge a differential premium both for the lower transport costs involved in exporting to Europe and the U.S. and for the higher quality of North African crudes effectively experienced a rise of less than 10 per cent. In some cases the rise was as low as 7 per cent. However, a greater demand by the industrialised countries for the higher quality crudes, which produce more gasoline, naphtha and valuable derivatives than heavy fuel oil has heightened prospects for Libyan oil exports this year and should enable the country to pay for an ambitious development plan which entails expenditure of no less than 7.17bn. dinars (£12bn.) over the next five years.

Britain's exports to Libya are showing a significant improvement. They rose by more than 71.2 per cent. last year to a total of £107m., although the British share of the Libyan market is still relatively small compared to other industrialised countries. Libya ranked fourth among members of OPEC in the size of its surplus revenues at the end of 1975 with a total surplus of $2.2bn. Britain sends more exports to Turkey, which produces no oil, and more to the United Arab Emirates, whose surplus revenues are less than half as large, than to Libya.

Oil production has been steadily increasing in the past six months and is expected to rise to 2.2m. barrels a day this year, more than double the low of 1m. b/d lifted early last summer. Production at two of several major new oil fields discovered in western Libya in the past year is due to begin later this year, while liftings from the big Sarir field are to be expanded to 600,000 b/d over the next five years. Exploration is continuing at a new field discovered offshore in the Mediterranean, north of Zwara, which spokesmen for the Government-owned National Oil Company say could become the largest oil-producing field in the country.

As a result, Libya's oil revenue, which accounts for more than 96 per cent. of total exports, may reach £4.5bn-£5bn. this year compared to just over £3bn. in 1975. Such wealth, coupled with a small population, helps Libya run a big trade surplus. In 1974, the last year for which figures are available, the surplus totalled an impressive 1.6bn. dinars (£2.7bn.), although this was expected to have fallen to under £2bn. in 1975.

The *Five-Year Development Plan*, announced earlier this year, runs from 1976 to 1980. It aims at diversifying production to reduce the country's dependence on oil, expanding the economic and social infrastructure and reducing inequalities in the standard of living. Gross Domestic Product in the non-oil sector of the economy is expected to increase by 120 per cent. by 1980 according to Government figures, up to 3.4bn. dinars a year. Problems in obtaining manpower, both skilled and unskilled, as well as heavy congestion at the country's ports and a lack of sufficient infrastructural development may prevent the Government from meeting such an ambitious target. But even if only half this rate is achieved over the next five years, Libya would still represent one of the fastest-growing economies in the world.

Of the 7.17bn. dinars to be spent by the end of 1980, the biggest share, 17 per cent. or about 1.2bn. dinars, is to be spent on agricultural development. This is a reflection of the high priority the Government has set on achieving self-sufficiency in cereal, livestock and textile production by the end of the Plan. Libya's search for the latest technology in agriculture helped a British subsidiary of a U.S. company, body Galion, to win a £[illegible] contract earlier this year to build two plants in Libya w[hich] will convert industrial household waste into com[post] for fertilisation of desert a[reas].

Expenditure on develop[ment] projects in industry and mi[ning] over the next five years total about 1.1bn. dinars. [Par]ticular emphasis is to be pl[aced] on developing an iron and [steel] industry and on expanding processing and textile pr[oduc]tion. Although the Govern[ment] has decided to cut back o[n its] oil refinery expansion [pro]gramme because of a gl[ut in] world refining capacity, exp[endi]ture on expanding oil pr[oduc]tion, acquiring new oil an[d gas] tankers and on gas liquef[action] and the petrochemicals [in]dustry, is to amount to [illegible] cent. of total spending, or [illegible] dinars.

Ports

Several massive infra[struc]ture projects are also pl[anned]. New ports are to be dev[eloped] along the Mediterranean —seven of them by 19[illegible] addition to expanding the [ports] of Tripoli and Benghazi, work is being carried o[ut by] British consultants and engineers. The road, ra[il and] communications networks [are to] be enlarged. Housing, a[n] important priority for th[e Gov]ernment, is to cost 800m. by the end of 1980. The U[niver]sities of Tripoli and Be[nghazi], designed by James Cubi[tt and] Partners, are also to be [expan]ded and new technical [insti]tutes, primary and sec[ondary] schools, public health clin[ics and] civic centres are planne[d]. British exporters the eas[y avail]ability of funds togethe[r with] the ambitious developme[nt pro]gramme makes Libya a p[rime] market of major importa[nce].

Pamela Ann S[mith]

NIGERIA

Applying the brakes

NIGERIA is now trying to apply the brakes to curb the worst effects of the boom which followed the 1973-74 rise in the price of its oil. The last two years have seen a massive rise in economic activity, big spending by the Government and the formulation of grandiose expenditure plans. But the economy has also suffered terrible congestion (highlighted by the port congestion), very high rates of inflation (up to 40 per cent. a year) and, in the last year, a balance of payments deficit of about Naira 1bn. (about £850m.).

In his April 1 budget for 1976-77 the head of state, Lieut.-Gen. Olusegun Obasanjo, announced that Government expenditure was to be pegged at N5.5bn., even though the expenditure estimates run to more than N10bn. Thus actual expenditure should be less than revenue, which is expected to be N5.7bn. At the same time bank credit is to be curbed by higher special deposits and interest rates, and higher liquidity ratios are to be required of the banks. The import of some commodities is to be banned temporarily to reduce port congestion, but to assist local maufacturers the import duty on some raw materials is being cut. Company tax is to be raised.

The April, 1976 budget may well turn out to be a watershed in Nigeria's development. To most observers it signifies the fact that the two years or so of rapid monetary expansion following the oil boom are over and that from now on the Government intends to tackle the country's problems in a more realistic way.

Like Iran, Nigeria combines large oil reserves (worth about $200bn. at current prices and bringing in $8bn. a year) with a very large population, thought to be at least 70m. and making it easily the biggest country in Africa. Because of the high population Nigeria has a relatively low income per head (about $250-$300), even by West African standards. The main problem in distributing the oil wealth so that it can be of real benefit to the population is the weak physical and social infrastructure of the country.

States

One of the Government's first moves since the 1973-74 oil price rise has been to allocate more money to the country's states, in an effort to spread the oil income (which makes up about 90 per cent. of Nigeria's foreign exchange earnings) more widely. The 12 states formed in 1967 were early this year increased to 19, mainly in order to ease the problems of minorities. They can now finance up to two-thirds of their development spending out of revenue (even though almost all this revenue comes from the federal Government in Lagos) and get the remainder in special credits or subsidies from the Government.

Another direct measure taken in order to spread the oil wealth more widely was the decision last year to turn some of the foreign exchange surplus directly into cash by increasing the wages of Government employees by 30-100 per cent., with the minimum wage going up from N312 to N720. Each man was paid the rise backdated by nine months, with the arrears paid tax free in a lump sum. Nigerians became a lot better off in money terms, but the main result of the move (known as Udoji, after the civil servant who was credited with having recommended the rises) was to increase prices massively since supply could not keep pace with demand. Udoji also caused much labour unrest, both in the private sector, where rises were not officially payable, and in the public sector where differentials were eroded.

Difficult

The Udoji episode should be seen in the context of moves which, though well-intentioned and at first sight politically attractive, served only to make the task of development more *difficult*, partly because it greatly increased the congestion on the ports and on the country's transport system in general by setting off a rush of imports, and partly because it gave a vicious twist to the inflationary spiral. The congestion is perhaps at its most spectacular in the ports (at one point last year nearly 500 ships were waiting off Lagos), aggravated by the massive overordering of cement. The number is now down to less than 200. But congestion also affects road transport all over the country; it affects the traffic in Lagos, the 17-mile journey from the airport to the centre taking up to three hours at peak times. It affects telephones, airfreight, water and electricity supplies, and severely hampers life for the businessman in Nigeria.

About one-third of the expenditure allocated under the Third National Development Plan, which was inaugurated last year, should go to improving the infrastructure. The plan originally aimed to spend about N30bn. over the next five years. However, since the fall of General Gowon in July 1975, the plan has been under revision, and it is expected that more emphasis will be placed on housing, health and agricultural development, while all prestige projects will be dropped. Under the original *plan N7.3bn.* was allocated to transport, the bulk of it to be spent on roads, plus new port facilities and the renovation of the railways. Large-scale spending on electricity generation to meet a need which is becoming more serious as power cuts become more frequent was also scheduled. The plan also included schemes for more rural roads and rural water supply, and better telephone and telex facilities.

The original plan document envisaged that there would be great difficulties in implementing all the schemes, especially since not all of them had been fully evaluated. Obviously finance is not a constraint, although Nigeria had hardly expected a trade deficit of about N1bn. for 1975, not anticipating deficits till the end of the decade. But the principal constraint on the achievement of plan targets is the shortage of skilled and experienced Nigerians and the difficulty of importing sufficient numbers of expatriates without creating extra problems. The crippling shortage of "executive capacity"—as the Nigerians call it—can only be solved in the long run by more and deeper education which the Government is struggling to provide. For a country unashamedly in a hurry, which Nigeria is, it can hardly come quickly enough.

Until a detailed revision of the plan is published it will not be possible to say what targets Nigerian economic strategists will be aiming for in the next four years. But it is unlikely that the initial aim of raising GDP to about $37bn. by 1979-80 and increasing GDP per head by 7 per cent. a year wil[l] remain firm aims [illegible] achieved. However, the N[igerian] economy will still be [growing] fast and the market [illegible] absorbed about £500m. [of] British goods last year, [will con]tinue to expand. Nige[rian de]mand for imports rang[es from] food through small m[anufac]tured items to transpor[t equip]ment and industrial m[achinery] is larger than the suppl[y that] can get in through the c[ongested] ports, and this is likel[y to re]main the case for sever[al years]. So exporters who can m[ake use] of the conference shippi[ng lines'] priority berths, or who [can use] the new roll-on roll-off [illegible] services or the overl[and] freight routes, are still [assured] of substantial profits. [Com]panies setting up busin[ess in] Nigeria with Nigerian p[articipa]tion should also find the[mselves] in a strong position.

James B[illegible]

QATAR

Need to diversify

; state of Qatar, a about 4,000 square ing due North in with a population ,000 including im- one of the few ies with virtually wealth. It is also, most totally reliant or all categories of h it has large o become self- ome areas, such as net exporter in as certain steel

d oil revenues for of the order of e its projected gov- penditure in an velopment budget is er $1,000m. It is mated that only cent. of planned actually occurs, ts import bill in rded at barely over

bligation on Qatar money, apart from necessities, is its need to diversify s economy, for its ive been estimated to be sufficient to last the country for another 40 years. As Sheikh Abdel-Aziz al Thani, the Minister of Finance and Petroleum, (and son of the ruler, Sheikh Khalifa), observed on presenting the 1976 budget, it "reflects on the State's concern to consolidate the bases of its economy . . . as well as its concentration on developing projects in general and industrialisation projects in particular this being the most guaranteed road to diversification of the sources of the State's revenue." And if action follows intentions, trade with Qatar should flourish in 1976. Imports during last year were up 50 per cent.

Three out of the five categories in the budget analysis have been allocated sums for 1976 which will just keep them ahead of world inflation and leave them with a little extra to spend. But the two categories of industrialisation and economic services have had massive increases, the first is up by over 300 per cent., the second by over 100 per cent., revealing firmly where the Qatari government's priorities lie.

Five major, capital intensive, projects are covered by the industrialisation allocation of $363m. in total of which two, the cement and fertiliser factories are in active production. Further expansion has been planned for both. The cement factory is to have two further kilns, one due to operate this year, the other by 1978. For the fertiliser factory the intention is to double its capacity with the extra capacity coming into action also in 1978. The other three projects for which so to speak, only the sod has been turned, are the iron and steel complex which is expected to begin production next year and the petrochemicals project which is expected to be operative by 1979. The third is the gas liquids project which should be producing in 1978.

Umbrella

The second largest chunk of budgeted expenditure at $258m. is allocated under the umbrella heading "economy services," which really covers most of the infrastructure necessary to support the industrialisation programme. By economic services Qatar understands transport and communications, light industry —and also agriculture, a particularly important section now that Lebanon, a significant supplier of food and foodstuffs to Qatar, has ceased to be a major trading partner. The bulk of the spending will be concentrated on projects in and around Umm Said which is going to be the heavy industry capital of Qatar.

Qatar's selection of contractors for these projects is catholic. For example, the six segments of the Ras Abu Fontas power and water station contract are currently being undertaken by an assortement of British, German, Italian, Japanese and Swedish companies. Price allied to experience are the dominant factors in selecting the contractors.

It is worth noting that British consultants have a very strong position as advisors on a great many of these projects. Among the long list of names, Sir Alexander Gibb, Ewbank, Langdon and Every, Llewelyn Davies and Partners, and Rendel, Palmer and Tritton, feature conspicuously.

In the trading picture emerging from the import figures of recent years, the Qatar government has remained firm partners with the U.K., Japan, the U.S. West Germany and, before the civil war erupted, Lebanon. These countries have been the five prime sources of Qatar's imports since 1971, accounting for a good half of Qatar's increasing import bill each year.

Over those five years the U.K. has been the dominant trading partner with Qatar although its share of the country's total imports dropped from just over a third in 1971 to around a fifth last year. And in 1974 Japan actually beat the U.K. into first place, taking 18 per cent. of Qatar's imports as against 14 per cent., for half the previous year's share, for the U.K. But this was due to an exceptionally large, presumably one off purchase of steel bar, sheet and tube by the Qatar Government. If these were subtracted from Japan's total it would have been in its more normal second place. Apart from the U.K. and the Lebanon, the relative positions of the other countries in the top five, the United States, Japan and West Germany has remained remarkably steady.

However, import statistics are at best a rough guide to the state of trade with Qatar. Figures for 1975 in particular have been much distorted by the delay at its main port in Doha. Of late, delays of up to three months have been common.

But the State's ability to implement its development programme will have a direct influence on its trading patterns. While the main bottleneck on trade at present is port capacity, another major constraint on Qatar's rate of development is shortage of manpower.

Doina Thomas

INDONESIA

Under strain

is both the biggest est of the States members of the of Petroleum Ex- tries. Its popula- . compares with a ven a few hundred some of the Gulf ast States; its per l income of only s even more starkly tive figures in the least it has oil and ntial that offers.

s ago when OPEC e international oil s a matter for re- donesia where the d oil earnings were neans of transform- nomy and people riches. There were t how large exactly payments surplus

er the revelations t $10bn. debts of e State oil com- is quite so certain. pay Pertamina's time, Indonesia eezed hard; the et will be under the general up- ertainty will have right through the

y dominates the public sector of In 1972, before rises took effect, 910m. were more Indonesia's total year oil exports most 75 per cent. Oil contributes f of the Govern- . r exports, timber and rubber are the most important. But timber earnings fell last year to $503m. (from $725m. in 1974) or hardly 10 per cent. of oil exports. Rubber exports also slipped last year to $371m. from $487m. Tin, coffee, palm oil, tobacco and tea are among other exports of Indonesia.

As far as oil is concerned, the figure for oil exports is a good deal higher than for net oil earnings. These last year were slightly more than $3bn. This is because Indonesia's oil is low in sulphur content; Indonesia both needs to import heavier duty oil and can take advantage of the premium for the low sulphur content of its own oil. More than 60 per cent. of Indonesia's oil goes to Japan (where, just to put Indonesia's oil into perspective, it accounts for just over 15 per cent. of Japanese oil imports), 25 per cent. to the U.S., nearly 10 per cent. to Trinidad, and most of the rest to South East Asia.

Increased

Indonesia does not use the "posted price" system for its oil; instead it operates on a market or "realised price," which is currently $12.80 a barrel. Last year Indonesia did not join in the 10 per cent. OPEC oil price rise. The price of the key Sumatran Light (Minas) crude was increased by only 1.6 per cent. to $12.80 a barrel. Even so, last year Indonesia faced competition from China and its oil production dropped to 1.31m. barrels a day, and has only this year climbed again to 1.5m. bbd.

After the recent negotiations with Caltex and Stanvac, the Government now takes $11 in cash and oil for each of the nearly 900,000 barrels a day lifted under the older contract of work system. For companies operating the production sharing contracts, the system is more complicated, but the Government takes $6.30 a barrel cash and pro rata oil of an average price of $12.40, but it is in the middle of negotiations to get an extra $1 a barrel at least from the production sharing system.

The Government argument is that it needs an extra $500m. a year from oil to bring the oil contribution to the budget to $4bn., out of $6.7bn. The danger is that if it pushes its claims on the oil majors too high or too hard is will discourage oil exploration. That is crucial because of the oil structures on and around Indonesia: most of the fields are easy to get at but are quite small, so if Indonesia wants to stay in the oil league it must keep on exploring, and it is extremely doubtful that Pertamina or Indonesia could manage on their own.

Of course, once beyond the streets of Jakarta screaming with cars and hemmed in by the towering plate glass bank and Pertamina offices, the contribution of oil in the economy drops startlingly. Apart from the occasional Honda flashing by and his own kerosene lamp and fuel, the ordinary peasant does not come into contact with the oil world.

But this is precisely where the Pertamina disaster may have its greatest impact. Pertamina was much more than an oil company: it was the star of Indonesia's development show. It was the magnet for bright young Indonesian graduates. It was involved in so many activities besides oil, including rice production, tourist complexes, fertiliser plants. Its president-director, Lt-Gen. Ibnu Sutowo, enjoyed such confidence of the President of Indonesia, General Soeharto, that Pertamina was often entrusted with new ventures, that the resultant shock of the downfall of the company is so much greater.

Indonesia is potentially, a very rich nation. Its mineral wealth alone has not been properly charted because of difficulties of access. But it also has an enormous population on the one island of Java, estimated to-day to be 80m. The Government is generally pursuing good development policies, and this year for example courageously raised the salaries of civil servants in an effort to curb influence of corruption.

But the general charge against the Government is that it is "dull" and "safe." The population is growing rapidly, especially on Java, and much more rapidly than the transmigration policy is encouraging people to move to some of the thousands of outer islands. By the end of the century some experts predict that Java alone —in an area the size of England and Wales—will have 150m. people. What Indonesia needs is a spark of genius. That, said his supporters, is what General Ibnu had.

Kevin Rafferty

VENEZUELA

Steady progress

HAS now fully n the crisis of it was suffering e of the Govern- isation of the oil e beginning of tactic of the oil sing Venezuelan maximum during d December by mmit themselves e nationalised oil that they them- ontrolled is no sed. As a result etroven, the oil ny, are more or at a bit over

time the Vene- nent and Petro- eeded in getting st few months of without any d in giving the of unruffled hey were aiming

ophets of doom dire future for h would eventu- to drown in its ot been vindica- ntry is likely to ble to command ounts of dollars orts that it has ng since 1973.

o the current rnment will be $28bn. in the s on ambitious include increasing steel production from 1.3m. tonnes to more than 12m. tonnes, establishing a sound petrochemical industry, founding a shipbuilding industry, buying a tanker fleet and starting an aluminium industry.

It may well be that the Venzuelan State in its effort to get the projects going and reap the political reward will have to borrow large amounts of money to supplement its oil revenues — President Carlos Andres Perez is definitely in favour of such a course—but there is little fear that foreign bankers will deny it what it wants.

Financially Venezuela looks a very much more attractive proposition for traders than its southern neighbour Brazil, which has tended to occupy the attentions of traders and investors over the past decade.

Venezuela's difficulties lie much more with the quality and experience of management than with financial solvency. The Perez Government has been the first to admit as much, and with the Gran Mariscal de Ayacucho scholarship scheme financed by the Government, thousands of young Venezuelans are being sent abroad in order to acquire the skills they are unable to acquire at home.

Lack of management skills has already produced cases of the most costly and almost incredible muddle in the public sector, the largest being the Tablazo petrochemical plant built not far from Maracaibo, whose tiny output after several hundred million dollars had been spent on it has been the subject of lamentations by President Perez himself. Those seeking to do business with the professionals of Petroven need have no fear, but those seeking business with other parts of the public sector would be wise not to expect the sort of efficiency they would expect from European nationalised industries such as British Airways or Gaz de France.

Thrusting

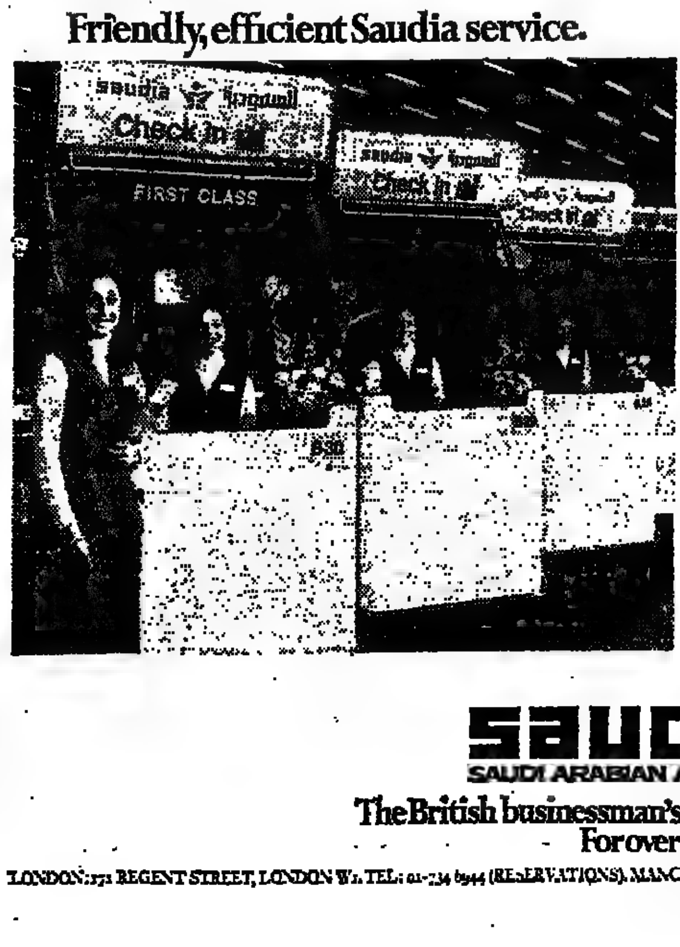
The private sector on the other hand is at almost all levels as thrusting, energetic and enterprising as anywhere in the Western Hemisphere. At the top of the tree are the great family groups, the Mendozas, the Vollmers, the Machado Zuloagas and the Pocaterra, whose fortunes have grown with great rapidity as the economy has prospered and who have diversified their interests, very often in collaboration with foreign interests.

At the lower end of the scale the entrepreneurial ranks have been swelled by waves of Spanish and Portuguese immigrants who, despite the unkind jokes made about them by most of the other residents of Venezuela, work hard and tenaciously. Much of retail trade would collapse, for instance, if the Portuguese closed down the grocery and hardware stores that they seem to maintain on every street corner in Venezuela.

In between are the expanding ranks of educated Venezuelans who have been eager to imbibe the latest business theories as advocated by U.S. universities or practised by the local outposts of the U.S. transnational companies.

The way of business adopted in Venezuela might well be termed Tropical Manhattan. The frenetic pace of life in Caracas with its skyscrapers and freeways, its advertising fads and its luxury hotels is often very reminiscent of Wall Street or Madison Avenue. At the same time Venezuelans do not feel obliged to be as punctillious with their business appointments as they are in New York, and the prevailing sentiment is that what is not done to-day will assuredly be done to-morrow. And round the city hang the slums, a reproach to past governments who were unwilling to tackle the problems of poverty, a spur to the present Government to realise its proclaimed political aims of better balanced development and a reminder to all that much of Venezuela is still only on the fringe of the consumer society.

Hugh O'Shaughnessy



PARLIAMENT

Hostility on Tory benches, but . . .

Crosland welcomes Kissinger warning to Rhodesia regime

BY JOHN HUNT

A CONSERVATIVE suggestion that the British Government should launch a new initiative to *solve the Rhodesian problem* by calling a special conference outside Rhodesia was rejected in the Commons yesterday by Mr. Anthony Crosland, the new Foreign Secretary.

Making his Commons debut in his new post, Mr. Crosland warmly endorsed the latest policy statement from Dr. Henry Kissinger, the U.S. Secretary of State, that the white regime in Salisbury would face "unrelenting *opposition*" from Washington until a negotiated settlement was achieved.

During lengthy exchanges there was a pronounced difference of emphasis between Mr. Reginald Maudling, shadow Foreign Secretary, and his Tory backbenchers.

Most of the Opposition rank and file were outspokenly hostile to Dr. Kissinger's declaration. But this was not reflected from their front bench. Mr. Maudling merely contented himself with a brief, neutral intervention asking if the Government intended to do nothing at all about the situation.

The underlying feeling of the Conservative backbenchers came to the surface in an angry chorus of "No, no" when Mr. Phillip Whitehead (Lab., Derby N.) said the whole House would welcome Dr. Kissinger's initiative.

Mr. Crosland *stuck firmly* to the policy enunciated by Mr. James Callaghan on March 22 in which he laid down the four pre-conditions which would have to be accepted by Mr. Ian Smith, the Rhodesian Premier, before Britain could "underwrite a Rhodesian settlement.

These were: Acceptance of the principle of majority rule: elections for maporiry rule within 18 months or two years; an agreement that there would be no independence before majority rule; and an undertaking that negotiations would not be long drawn out.

MR. ANTHONY CROSLAND

Special conference rejected

Mr. David Lane (C., Cambridge) urged that the time had now come for the British Government to start negotiations and stop the drift to disaster. He suggested we should call a conferenve outside Rhodesia to be attended by Mr. Smith, the African nationalist leaders and representatives from neighbouring states.

But Mr. Crosland firmly rejected this unless there was a prior commitment from Mr. Smith on the four pre-conditions. "Otherwise we should simply start off again on that long stony road that we have been trying to inch up over the past 12 years," he declared.

Emphasising that he saw Dr. Kissinger's speech as a major contribution to African policy, he went on: "For the moment, the essential thing is for the white community in Rhodesia to grasp the full significance of Dr. Kissinger's speech. They are dealing not just with the British Government and the four preconditions. They are dealing with an opinion now held by the whole world community."

The British Government's policy, he stressed, was now shared by African governments, the U.S. and all the members of the EEC.

Had Dr. Kissinger not made the speech or if he had made a speech of a contrary character, the effects on the world balance of power would have been disastrous. Had the U.S. and U.K. Governments not taken their present line, it would have undermined every moderate black leader in Africa.

Throughout question time there was a constant stream of criticism from Tory backbenchers over the policy of the two Governments.

Mr. John Biggs-Davison (C., Epping Forest) said that many *Conservative MPs felt that Dr.* Kissinger and Mr. Crosland had made a bad start in Africa.

"You are undermining every moderate person in Rhodesia and giving comfort to Soviet imperialism in southern Africa," he declared. "Since southern Africa is vital to the European economy and Western strategy, how do you propose to make a stand to defend vital British interests?"

Mr. Julian Amery (C. Brighton *Pavilion*) claimed that *Dr.* Kissinger's Lusaka speech had ominous echoes of Mr. John Foster Dulles's attempts to preempt Soviet diplomacy in the Middle East in the 1950s.

"Many of us feel that you personally encouraged Dr. Kissinger to cook a dinner which is more likely to be eaten by the Soviet's than by the West," he commented.

Dr. Kissinger's attitude was attacked as "one-sided" by Mr. *Winston Churchill (C, Stretford).* There were derisive jeers from the Labour benches when he complained that Dr. Kissinger had approached the problem without seeing the situation at first hand and without informing himself of the views of the Conservative opposition in Parliament.

Metrication given go-ahead after delay

By Donald Maclean

THE GOVERNMENT is to go ahead with a Bill legalising the sale of goods in metric units as soon as possible, Mr. John Fraser, Minister of State, Prices and Consumer Protection, said yesterday.

The Bill was withdrawn from Commons business just before the Easter recess, to allow consultations in the wake of opposition from MPs on both sides.

Mr. Fraser made it clear in reply to a question that the Bill was being deferred, not dropped.

He urged critics to re-examine all the arguments, in particular the world position, the growing costs and confusion to Britain of having to operate two systems, the educational position, and the European Economic Community position.

An argument that metrication would force up prices was not substantiated by evidence; and the elderly would be able to adapt to the change, he claimed.

Mr. Fraser was replying to Mr. Edward Taylor, Conservative MP for Cathcart, who said he was "shocked and horrified" that the Government had decided to go ahead with the Bill.

"It is crazy for the Government to press ahead with this *expensive nonsense* when the pound is under attack and essential spending cut in every Government department," Mr. Taylor declared.

Ulster injury payments for review

COMMITTEES have been set up in Northern Ireland to review the provisions for compensation for injury and for damage to property, Mr. Merlyn Rees, Ulster Secretary said in a Commons written reply yesterday.

He had asked for recommendations from the committees by the end of June for personal injuries, and July, for property.

Mr. Rees added: "I understand that both commitees have already *flormed he view that changes* would be appropriate in the operation of the existing schmes.

"They will be taking fully into consideration before they report not only such questions as provocation and negligence, but other fundamental questions including the financing of the scheme, and the application of the present legislation to different categories of applicants."

He aimed to be ready to initiate legslaton separately in *the autumn.*

Move to stop U.S. arms flow

MR. ANTHONY CROSLAND, *Foreign Secretary*, yesterday promised he would urge the U.S. Government to help stop the flow of arms to Ulster.

He said in the Commons that when he accompanied the Queen and the Duke of Edinburgh on their State visit in July he would do what he could to strengthen efforts by both Governments and persuade the Americans to take every possible action to stop the flow.

Mr. Christopher Tugendhat, Conservative Foreign Affairs spokesman, complained that American Democratic candidate Mr. Jimmy Carter had been pictured wearing an "England get out of Ireland" button. He claimed that Mr. Carter must have disregarded the Irish Prime Minister, Mr. Cosgrave's view about arms from the U.S.

Ministers seek fish policy changes

BY JOHN HUNT

BRITAIN will be demanding changes in the Common Fisheries Policy at the EEC Ministerial meeting in Brussels on *Monday*, Mr. Roy Hattersley, Minister of State in the Foreign Office, indicated in the Commons yesterday.

He told MPs that he was under the strongest instructions to make a number of robust points at the meeting.

A similar line was taken by Mr. Anthony Crosland, the new Foreign Secretary, who sits for the fishing constituency of Grimsby.

He said that he was not satisfied with the Common fisheries policy and promised to make sure that the other EEC countries were aware of Britain's stand.

"I propose to take a very personal interest in the re-*negotiations of the policy*," said Mr. Crosland. "It is absolutely crucial to the future of our fishing industry."

MPs also expressed concern about to-day's emergency meeting of EEC agricultural Ministers to consider a revaluation of the "green pounds" in the light of the steep drop in the value of sterling over recent weeks.

Mr. Hattersley promised that Mr. Fred Peart, Minister of *Agriculture, would make sure* that the guarantees on costs and advantages within the Common Agricultural Policy would be properly observed. He stressed that these were laid down in the Treaty of Accession under which Britain had joined the Common Market.

BP accounts

IN A WRITTEN question in the Commons yesterday Mr. John Prescott (Lab, Hull E) asked whether the payment of £800,000 by BP to Italian political parties was recorded in the BP accounts lodged under the Companies Acts.

Mr. Stanley Clinton Davis replied: "No. In submitting accounts under the Companies Acts, companies are not required to give details of any payments made to political parties overseas."

'Shorthold' tenancies studied in Rent Act review, says Shore

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

MINISTERS REVIEWING the Rent Act are *looking* with interest at recent experiments in leasing arrangements, in particular, schemes to encourage landlords to offer "shorthold" tenancies of their houses.

Mr. Peter Shore, Environment Secretary, told the Commons yesterday that an experiment on *these lines—the North Wiltshire* Scheme, which had been taken up by some 40 other local authorities—was being watched closely by the Government.

It was pointed out from the Tory side, during a debate on local government, that security of tenure afforded to tenants *under the Rent Act discouraged* landlords who would otherwise be prepared to provide accommodation to people only needing a "short let."

Mr. Shore acknowledged the value of the North Wiltshire experiment—under which the local authority takes responsibility for ensuring that the landlord is not penalised under the scheme when he needs to discontinue the tenancy and have back his house.

At the same time, the Minister assured MPs that the Government had no intention, in its reconsideration of the rent laws, of backing away from the principle *of security of tenure.*

With local government elections due on Thursday next week, MPs on both sides clashed vigorously over policy, and it became clear that the majoe parties believe the main issues at the local polls will be housing and council expenditure.

But Tory criticism was defeated by a Government majority of 39 (289-250).

From the Opposition front bench, Mr. Timothy Raison accused the *Government of engi*neering a "vast expansion" of public spending. Socialism was suffocating the country at all levels, he declared, and he predicted a massive swing away from Labour at next week's elections.

But Mr. Shore condemned the Tories for advocating "savage and mindless" expenditure cuts without suggesting where such cuts should fall.

There was nothing in the policies put forward by the Opposition which would increase the housing stock, whereas housing was a Government priority, the Minister claimed.

The Government agreed that *local authorities* were facing real difficulties because of the economic situation.

"Our capacity to meet new *demands* has been seriously though temporarily impaired," said Mr. Shore. "We have had to give priority to the urgent task of strengthening the economy and containing inflation.

"These objectives necessarily entail restraint in the growth of public expenditure, a restraint which in our judgment must be maintained for some years ahead."

On the sale of council houses, *warmly advocated by the Opposition*, Mr. Shore said the situation in the inner areas of London differed from that in the rural counties.

There must therefore be a proper and balanced assessment of local housing circumstances before a council reached a deci*sion on whether it should sell* any of its houses.

The Minister stressed the need for a new and closer partnership between central and local government. Until last year, there had been only perfunctory exchanges between central government and local authorities on the planning *of national expenditure.*

"It is our aim to bring local government fully into the national expenditure planning—into the annual public expenditure scrutiny exercise—and at a time sufficiently in advance of a decision for the views of local government too be taken into account.

"This is the reason why we set up last year the consultative council on local government finance which provides a forum *for a regular discussion between* Ministers and elected members," said the Minister. "This has, I believe, already shown its worth."

It had greatly eased the task of achieving the desired changes in public expenditure.

Last year it had en... halt to be made in the r... crease in local authority ... ing. There has als... welcome and effective ... tion from the local au... in the efforts to keep ... down.

And Mr. Shore reiter... expectation that domes... *this year would* rise by ... than 10 per cent.

For the Tories, Mr. ... claimed that the "sh... period" in local Gov... since the last reorganis... largely over and they co... on to the real advanta... called the Government's ... *ate engineering*" of a va... sion of public spe... "shameful episode."

The need to curta... *spending* was the overr... in local Government. ... councils in particular ... ing no recognition that ... is over." They were ... to spend at the same ... even higher rate.

He accused the Gove... treating local governi... roughly, *sometimes* br... weakening its power.

Socialism was suffo... country at all levels, ... leading to extravag... paternalism and de... many council tenants ... the chance of obta... house they really wa...

Socialism is conce... the folly of extending ... activity for its own ... time when every eff... be concentrated on ... tiveness."

Mr. Dafydd Thom... Cymru, Merioneth) ... hoped the propos... Assembly would lo... *whole restructuring* ... government in Wal...

He complained tha... a financial crisis in ... government and that ... the principality was ... drop by £25m. in re... the current financial

Manifesto MPs deci... not to disband

BY RICHARD EVANS, LOBBY EDITOR

THE Labour Party's Manifesto Group of moderate MPs decided last night not to disband despite Mr. James Callaghan's plea, soon after he was elected leader, that there should be no party cliques.

The group's new chairman, elected to replace Dr. Dickson Mabon, following his appointment as Minister of State for Energy, is Mr. John Horam, MP for Gateshead West.

He stressed last night that the unanimous decision to carry on as a group had not been taken in defiance of Mr. Callaghan.

PAGE—20

"There was nothing in his speech to defy. He did not call on us to disband," Mr. Horam declared.

He said that th... taken their deci... they still had a po... play in the ... Labour Party putti... distinctive politic... "We want to give ... port to the Gover... will not be uncrit... he added.

Mr. Ian Wriggles... *Thornaby and* ... Private Secretary ... Jenkins, Home S... elected secretary ... in place of Mr. Ho...

The Tribune Gr... decided to stay ... form as a pressu... Left-wing policies.

Car advertising change bid

A PRIVATE member's Bill requiring car manufacturers to advertise cars at prices which include the cost of seat belts, number plates and delivery charges was given a formal first reading in the Commons.

Its sponsor, Sir ... (C, Acton) said ... supported by the ... Association, the ... Association and ... Fair Trading.

Premier keeps party treasurer post

BY PHILIP RAWSTORNE

MR. JAMES Callaghan yesterday confirmed that he intends to retain the post of Labour Party treasurer until the party's conference in October.

Reiterating his decision at a meeting of the party's National Executive Committee the Prime *Minister firmly but politely* rejected pressures for his immediate resignation from left-wingers Mr. Eric Heffer and Mr. Ian Mikardo.

The Left-wing had hoped to secure the post and a seat on the NEC for another Tribune Group member, Mr. Norman Atkinson, *who was defeated by Mr.* Callaghan in last year's election.

Mr. Atkinson will now have to fight the election at this year's conference in which he will almost certainly be opposed by a prominent centre-right candidate.

Both Mr. Denis Healey, the Chancellor, who lost his NEC seat last year, and Mr. Eric Varley, Industry Secretary, have been mentioned as possible contenders.

Despite this setback, however, Left-wing members of the NEC scored a number of tactical successes at yesterday's meeting.

By 11 votes to nine, they carried a resolution deploring the Government's public expenditure curbs which, it said, were "in direct conflict with the election pledge of a fundamental and irreversible shift in the balance of wealth and power in favour of working people and their families."

With apparent equanimity, Mr. Callaghan, Mr. Michael Foot and Mrs. Shirley Williams left the meeting before the vote and Mr. Anthony Wedgwood Benn abstained.

Another resolution, expressing concern over the extent of cuts proposed for public transport and calling for additional Government aid, was carried without a vote.

The Left-wingers also secured *agreement in principle to a con*ference vote in October on each section of Labour's Programme 1976—the draft policy document due to be completed next month.

The move is seen as an attempt to obtain conference approval specifically for some of the more controversial of the document's *proposals, such as the nationalisa*tionof the banks, and so exert greater pressure on the joint Cabinet-NEC team which will compile the next General Election manifesto.

Finally, after a complaint by Mr. Mikardo, Mr. Ron Hayward the party's general secretary was instructed to deliver a formal protest over arrangements being made for the Brazilian President to meet British businessmen at Buckingham Palace during his visit next week.

Lady Wootton attacks 'absurd' benefits system

A FAMILY paying £1.70 a week income tax was receiving £1.80 a week in family income supplement, Baroness Wootton of *Abinger (Lab.) said in the Lords* yesterday. "Can you imagine a greater absurdity?" she asked.

Lady Wootton was calling for simplification of the welfare benefits system. She also said that the Child Benefit Act, passed last year, to help single-parent families had meant some of them were worse off, because of tax.

Baroness Young, Opposition social services spokesman, said better use must be made in the social services of both profes*sional and voluntary workers.* Better integration of the social services could prevent tragedies like the Maria Colwell case.

The automatic response to social problems was more legislation but the system was creaking badly, and there was no single solution. Each problem called for a different solution.

Pointing out that the Conservatives had introduced the debate, she said they too, cared deeply about the problem.

The Bishop of Southwell, the Right Rev John Wakeling, said social policy should not be governed by the attempt to impose a political dogma on people, or even a religious dogma, but by the attempt to let communities be themselves and develop a complex of real human relationships that were unselfish and fulfilling.

"There is a danger that social policy can become a politicians' battle ground." Social policy should try to determine what provision was better made by statutory bodies and what was better done by voluntary effort.

Baroness Robson of Kiddington, for the Liberals, said it was tragic that it took economic difficulties of the present order "to concentrate our minds on whether we are getting value for money and whether we are spending our money in the right way."

In looking at social service priorities, it was necessary to be absolutely clear about the *financial implications.*

Baroness Masham of Ilton, who is disabled, complained about the Government's "monstrous policy" of withdrawing vehicles from invalids when they retired from work. These people had not only made their way in life by great efforts but had saved the cost of providing home help and had not been a strain on their families.

Lord Longford (Lab.) said more should be done for the physchologically disadvantaged. "*Many of those in the greatest* need of help are most reluctant to accept it. The tragedy of a large section of our society remains the poverty of their hope. They simply do not believe anybody is going to help them."

Giving examples of the problems, he said the Government should lay down minimum rights for the single homeless and induce local authorities to make provision for them as a statutory duty.

Ex-prisoners should be regarded as handicapped persons because of their temperament, treatment in prison and what happened to them afterwards.

Black people laboured under the handicap of a deep feeling of alienation and being outside what they called the host community.

Lord Sandys, from the Opposition front bench, said that in post-war years a number of errors had been made in the public housing programme which were all too easy to see. If they could not be corrected the same errors should not be repeated in the late 70's and 80's.

If buildings could not be adapted it should at least be recommended that high-rise flats *should not be used for young* families.

Something should also be done to reduce hospital admissions, which in 1971 totalled 4,600,000, about 8 per cent. of the population. Road accidents, industrial injuries and accidents in the home could be reduced by the work of safety committees and the operation of the Health and Safety at Work Act.

Mental health offered another opportunity. In England, five *million* people consulted their GP about mental health each year. Depression, at the lower level of the problem, was a field in which all should be interested and involved.

"The Government's priorities are wrong in allocating £400m. to implement the Community Land Act, when clearly a large number of urgent priorities need to be tackled, many of which would cost far less than this."

An inter-departmental approach to *many aspects of health* and social services should be adopted.

Government social service spokesman, Lord Wells-Pestell, said his Department was spending 2.5m. in the current financial year in the form of grants. Next year £3m. would be spent.

He added: "For years we—and I mean by that a succession of Governments—have been like a vast army locked in battle trying to defeat the enemy and not having time to disengage to see if we are really fighting on the right front.

Lord Wells-Pestell called for "good neighbour brigades," responsible for eight or ten *houses in their* area where there would be somebody on the spot the whole time.

Lord Wells-Pestell said his Department was very conscious of criticisms levelled against it and of its own failures.

He added: "We have, we know, been criticised very severely in the past for advocating priorities without proper regard to their expenditure implications."

MP seeks rates remedy for unpaid parking fines

RATES SURCHARGES should be imposed to compensate for fixed parking penalties cancelled because of the diplomatic immunity of the offenders, Mr. Philip Goodhart (C, Beckenham) said in the Commons yesterday.

He pointed out that the most persistent offenders, apart from Cuba and Egypt, were the oil rich States of Iran, Nigeria, and Saudi Arabia. Urging that a surcharge be considered, he pointed out that the cost to London was £253,000 a year.

Mr. Roy Hattersley, Minister of State, Foreign Affairs, said rates were not a matter for his Department.

Mr. Christopher Tugendhat (C, Cities of London and Westminster S) suggested the Foreign Office should publish a list of offenders each *month* but Mr. Hattersley said this would not be a useful contribution to international relations.

The Minister told Mr. Toby Jessel (C, Twickenham) that every month a note was sent to the Diplomatic Commissions in London enclosing a list of the fixed *penalty notices* cancelled for members of their staff on grounds of diplomatic immunity and requesting appropriate action.

Mr. Jessel complained that 53,477 fines were cancelled on grounds of diplomatic immunity in London in 1975—over 1,000 a week.

هكذا في الأصل

The Marketing Scene

...od news ... radio

...Y THORNCROFT

...good news this week ...K.'s commercial radio ...he official surveys into ...ences, carried out by ...kes very encouraging ...ith a considerable in... the numbers of ... This should persuade ...tisers still dubious ...ew medium to give it

...ame time revenue in ...ped the £1m. mark, ...s of £1,049,264, bring... for the first quarter ...r to £2,626,190, a rise ... 100 per cent. on the ...ing three months of

...he individual stations ...t. Capital Radio in ... particularly pleased. ...eased the number of ...eners in the past year ...for a total of 4,120,000. ...5m. listen each day, a ...0,000 compared with ...urvey in May, 1975. ...as obviously adversely ...appeal of Radio One ...ndon area: In share ...Hence Capital is now ...ith 21 per cent. of all ...listening to radio, ...per cent. Radio One ... 22 per cent., a fall ...cent., making Radio ... has managed to hold ...he most popular sta...don, with 24 per cent. ...London station, Lon...asting, can point to a ... improvement. Its ... the past year has ...3 per cent. to 2m. ...week, and the number ...ned in has improved ...ent.

...nilar story out of the ...adio Clyde, the very ...Glasgow station, was ...o manage a marginal ...increase in its weekly ...ding 1,176,000, but its ... listening gained 14 ...o 15,666,000. Radio ...erpool pushed up its ...y audience by 3.2 per ...a total of 12,120,000 ... Metro in Newcastle, ...experienced a bad ...comparatively much ...ving a 12 per cent. rise ...s, for 4,508,000 hours ...a week.

As the grocery trade gathers in Birmingham

Shoppers' skills beat price rises

BY ANTONY THORNCROFT

THE Government must have been hoping to shed this year its newly acquired role as the U.K.'s biggest advertiser, but the decision to spend £1m. publicising the Price Check scheme suggests that emergency campaigns will keep its advertising around the £15m. mark.

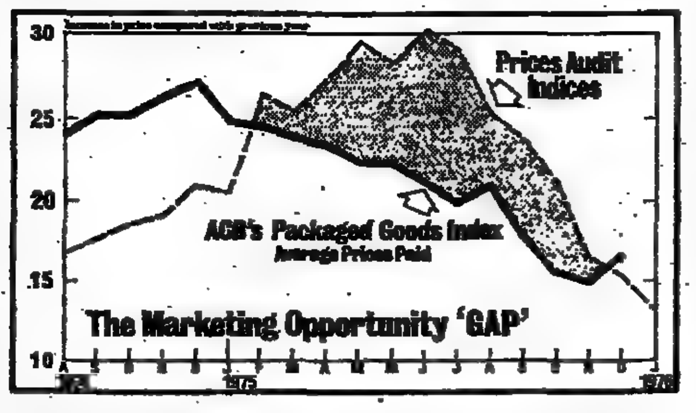
The advertising agencies will hardly complain about the Government's discovery of the importance of advertising, but the public may have doubts about the effectiveness of selling the Price Check operation, which "voluntarily" pegs a range of products to a maximum 5 per cent. increase in six months. For the more the crucial question of grocery prices (in particular) is investigated the *more contradictory* seem the forces at work in the market place. Price is important but it is far from dominant.

Recent research from HIM, the sales promotion company which investigates shoppers attitudes to promotions, continues to make the point that consumers do not really like short-term reduced price offers. It unsettles them. HIM's survey suggests that only 42 per cent. of shoppers on leaving a store were aware of the current "price promotions" on offer, and only 21 per cent. had bought any of them.

HIM repeatedly campaigns against the increasingly common form of promotion—straightforward price reductions—which cost manufacturers £425m. in 1975, a rise of £75m. on the year. Its managing director Jef Harris points out that the most successful retail groups are Asda and Kwiksave in the north which avoid promotions and instead sell everything at the cheapest possible price, undercutting the national chains by around 12 per cent. This approach is now being copied by Keymarkets and a Fine Fare subsidiary.

Being a promotions company executive Harris does not go so far as saying that all promotions are a waste of money—but he reckons an imaginative approach, more in line with what customers like, could produce better results. HIM is working with a leading company to persuade its major retail customers to use the various discounts it pays them to fashion "creative" price offers.

But it would be wrong to think that because shoppers are bemused by the monotonous display of a dozen or so constantly changing promoted goods in stores, and a welter of "money off" deals (fewer than half of customers actually realise that the "3p off" has already been deducted from some undisclosed total), they are not price conscious. Another research company, AGB, has come up with some very important discoveries on how housewives are reacting to a sustained period of inflation, and, now, an actual cut in their purchasing power.



The most interesting finding might have disconcerted AGB. It showed that last year there was a substantial gap between its Prices Audit Index, which tells retailers and manufacturers the prices goods are selling for in shops, and its Television Consumer Audit Index, through which shoppers tell the company how much they actually paid for the same items. The discrepancy is accounted for by housewives making use of money-off coupons, especially those now appearing in retailers press advertising, and buying better value, often larger, pack sizes. In short, consumers are shrewd enough to shop more economically.

The Government, by price controls, interferes with the buying skills of shoppers, and creates artificial situations, especially obvious in the support given to butter and the discrimination against margerine in 1974-75, and the flour price subsidy which created stock shortages and encouraged hoarding. The Price Check scheme is also illogical in including items like frozen peas but not frozen fish and meat; smaller bars of toilet soap at a time when shoppers are going for the larger economy sizes; and tea rather than tea bags, while the latter are gaining market share.

Such selectivity in subsidy and controls disturbs the consumer franchise and competitive marketing activity, and the obvious result will be higher prices for non-controlled items. AGB drives home the point that the shopper knows best how to budget. For example last year "basics" did well—pastes and spreads growing by 8 per cent; flour by 7 per cent.; breakfast cereals by 4 per cent.; and packet sauces by 25 per cent., while "marginals," such as pastry mixes fell by 21 per cent.; dietary breads by 16 per cent.; complete dishes by 16 per cent., and frozen confectionery by 12 per cent.

Shoppers are also showing their buying acumen in the matter of pack sizes. In the baked beans market, for example, the 16 oz size has expanded from 41 per cent. of the total to 51 per cent. in two years while the smaller and larger sizes have declined. Obviously housewives regard 16 oz as *giving the best value for money.* Another example offers itself in the advent of refill packs in the instant coffee market. Refills, which save the shopper money, have grown to 15 per cent. of volume.

Often customers are re-acting to initiatives from manufacturers. This is particularly true in the area of "own labels," *where sales would have been expected to grow in hard times.* This has not happened. In the second half of 1975 the private label share of sales actually declined in over thirty leading product fields, a setback attributable to manufacturers' promotions, which offered housewives a better buy.

For example, in instant coffee private label in December had increased its price by 3p as against a year previously, whereas the branded coffees were almost 4p cheaper — and own labels' share of the market was down from 30 per cent. to 24 per cent. It was a similar story in flour, where own label fell by 6 per cent. to 21 per cent. of the market, and in tinned soup.

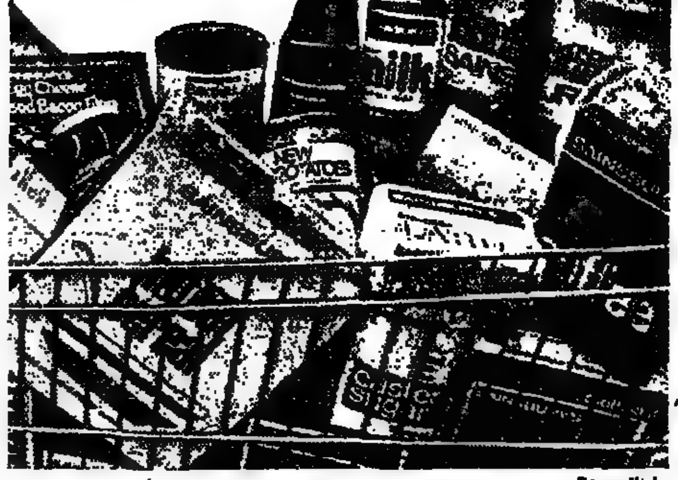
Soup, in fact, offers a classic case of manufacturers fighting back in tough marketing conditions. The economy and conveni*ence of box soups and instant* soups enabled them to grab 30 per cent. of the packaged soup business last year.

So the evidence from AGB suggests that consumers are capable of fighting inflation through discriminatory shopping, while the data from HIM implies that this is often a gut-feeling rather than a decision based on comparative information. HIM says that shoppers are not aware who is making the reduced price —the retailer or the manufacturer— but gives the retailer the benefit of the doubt. (This must be galling for the manufacturers who bear the brunt of the cost).

The research tends to confirm that price by itself is not the paramount factor. It is noteworthy that Sainsbury, which has a very high loyalty from its customers, is liked first and foremost for its cleanliness, with pricing a secondary reason. And, in reactions to the various kinds of promotion, shoppers go for the extra value campaigns, either in the form of samples, money-off coupons, and extra quantities, rather than amorphous price reductions.

HIM estimates that companies spent £867.5m. on promotions in 1975, a gain of around 25 per cent. in the year, and a larger sum than was invested by manufacturers in display advertising. Since very little research is carried out into promotions it is hard to say how much of the cash was wasted, but it must have been a considerable sum. Almost half the money went in price reductions, and another £185m. in advertising support for price and other promotions. The only other significant areas were the £110m. put into trading stamps, and the £65m. on display material.

Probably the buyers were little impressed by all this activity, and more interested in economical new products and basic lines which reflect on their skill as providers in difficult times. It is rather a messy picture of what is happening in the market place, but it leads to rather different conclusions than the simplistic view of retailing which lies behind the Price Check, and the confusion this brings to markets which are already too disturbed for the peace of mind of the hard pressed consumers.



Terry Kirk

Second bad year for grocers

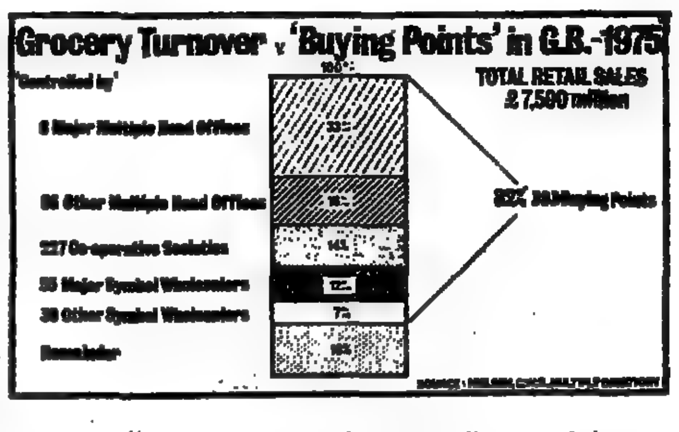
AS usual A. C. Nielsen is releasing its review of the grocery trade in 1975 to coincide with the Institute of Grocery Distribution annual get-together at Birmingham this week-end. A preview of the findings reveals that spending in the U.K.'s grocers last year totalled £7,500m., a rise of 21 per cent.

But, as Nielsen is quick to point out, this increase is accounted for by price rises, and in volume terms grocers sold fewer goods, and so had a very difficult time of it for the second successive year.

More detailed studies of 13 important markets covered by Nielsen spell out the problems. In 1975 these product categories experienced a decline in volume sales of between 1 and 2 per cent., even though consumer *spending was 35.7 per cent.* higher than at the base period two years earlier. The study of these markets also confirmed the reduction in retailer stocks: at year end they were 4 per cent. down on December, 1974 levels.

When it comes to type of outlet inflation has obviously encouraged shoppers to look for the bargains, and the Co-ops and the multiples, which are the largest advertisers and the biggest price cutters, showed the only gains. The Co-ops did particularly well, taking 13.7 per cent. of total sales as against 13.3 per cent. in 1974, and multiples also improved, from 48.4 per cent. to 48.9. As a result the independents' category, which now includes symbol group grocers, saw their share fall from 38.3 per cent. to 37.4.

Perhaps of more significance is the growing concentration in the grocery trade. As the chart shows, 383 buying points now "control" 82 per cent. of grocery trading. In 1970 the number was 647. The six majors — Allied Suppliers, Asda, Fine Fare, International, Sainsbury, and Tesco— *are by themselves responsible for* a third of grocery turnover. The four biggest symbol group stores —Spar, Mace, Wavy Line, and VG—took 12 per cent. of expenditure, leaving 7 per cent. to other symbols, and a far from negligible 18 per cent. in the hands of the fully independents.



These independents are now very dependent on cash and carries for their supplies of *goods—eight out of ten are customers,* ranging from 90 per cent. in the Midlands to three-quarters in Scotland.

Faced with a decline in turnover grocers are attempting to build profits in new areas. So far the greatest source of extra business is liquor, and there are now over 16,000 licensed grocers with sales in excess of £300m. Other products freely available in grocers are tights, in 87 per cent. of outlets, light bulbs—77 per cent.; plastic kitchen ware—37 per cent.; paperbacks—17 per cent.; paint—17 per cent.; records —17 per cent.; and motor oil—9 per cent.

A.T.

TV buyer on spot

"THE contrast between buying television advertising time in 1976 and buying time in the last two years could not be greater" said Keith Nicholson, Media Director of Bellamy, Nicholson, Reeves, Robertshaw, at an AGB Seminar on television research yesterday.

"The time buyer is facing a nightmarish situation, and is needing to draw on all his skills to maintain a competitive edge for his clients. Woebetide the inexperienced buyer—he will cost his clients tens of thousands of pounds."

ITV audiences (the market's "supply") in the first quarter of 1976 were 9 per cent. down on 1975, with ITV's audience share having dropped five points to 53 per cent. *Net expenditure* on television advertising (the market's "demand") was up 32 per cent. in the first quarter, and the television companies are projecting an increase of around 40 per cent. for the present April/June quarter.

Admittedly, the comparison with last year is a little distorted by the ITV strike last May, but the market is very bullish. Discounted time has now virtually disappeared as the problem increasingly becomes one of "getting the money away." Southern TV is completely sold out, and despite a top rate on London of £3,700 for peak time 30 seconds, time in many product categories is virtually unobtainable.

The television contractors are increasing *rates* as much as is allowable to accommodate rising demand. Granada TV has announced a 25 per cent. rate increase from May 31, although advance bookings are being honoured at old rates. Summer discounts will be less than in previous years. Thames, for example, is expected to offer only a 15 per cent. discount and then only to buyers who book at least four weeks ahead.

Consumer advertising is one of the first things to pick up after a recession, but the scale of ITV's advertising recovery has taken everyone by surprise. But, on a positive note, the ITV companies appear to be responding to the situation. The Summer programme schedule covering July and August is one of the strongest ever seen and represents a concerted effort to keep up audience levels in the face of the BBC's Olympic onslaught.

In the longer term buyers expect to see the ad revenue channelled back into stronger programming. If the medium is not to over price itself, it is imperative that the "supply" be increased. As the first priority buyers expect daytime audiences to be built back up again this coming autumn and winter. (This would relieve some of the pressure for housewife products from peak time.) The daytime audience has never recovered from the decision to axe daytime investment during the recession. It has been proven that good serials can pull in big daytime audiences, particularly if they run five days a week, which the IBA for some peculiar reason have always vetoed.

Another big priority is increased programming for men. Men are becoming increasingly difficult and costly to reach on ITV and there is a real danger that a *major slice of men's product* advertising could switch to the Press.

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THURSDAY, APRIL 29, 1976

Compensation must be fair

THE BILL to nationalise the aircraft and shipbuilding industries is now in its closing stages; if the Government is to make any significant changes, they will have to be introduced within the next few weeks. The standing committee should complete its work by mid-May, with the Report Stage following later in the month or in June; provided there are no unexpected difficulties in the Lords, vesting day is likely to be October 1. Nationalisation remains as irrelevant as it has always been to the problems of the two industries, but at this point there is clearly no hope of persuading the Government to alter the basic principles of the Bill. What can reasonably be asked is that the more obvious absurdities, particularly those relating to compensation, should be modified.

Estimate

Compensation is to be based on Stock Exchange prices ruling in the period between August, 1973, and February, 1974. Since virtually all the companies concerned are unquoted subsidiaries of larger groups, an estimate will be made of what the share price would have been if the company had been quoted. February, 1974, is a long time in the past, but it can be argued that the six-month period chosen, before a Labour Government committed to nationalisation came into office, provides a fair basis for valuation. For many of the companies the present trading outlook is worse—in some cases substantially worse—than it was in 1973-74; they would stand to receive a smaller amount of compensation if the reference period was brought forward to say, the six months preceeding vesting day.

For others, however, this is not the case and it is precisely the uneven impact of the compensation formula on the various companies which demands attention from the Government. The chairman of Yarrow, for example, has pointed out that the Bill takes no account of any improvement in the financial position of the companies since February, 1974. In his own case the shipbuilding subsidiary has been making substantial profits; these profits will in effect be confiscated if the compensation formula remains unchanged.

Government Ministers have frequently stressed that the compensation terms would be fair. It is difficult to see how a formula which is as inflexible as the present one can be fair; some flexibility must be built into the Bill if the differing circumstances of the companies are to be given proper weight. As the Bill stands, the arbitration tribunal (which will examine those cases where the company and the Government are unable to reach agreement) will take into account those factors which would have affected the notional share value of the company: internal evidence of an impending improvement in profits in subsequent years is presumably irrelevant. A widening of the tribunal's terms of reference would be one way of dealing with the matter.

It may be argued that no formula can be fair to everyone and that the principle of "rough justice" must apply. But it is undoubtedly possible to modify the compensation terms in a way which, without increasing the overall cost to the taxpayer, would treat the companies concerned more equitably.

Ship-repairing

Up to now the Government has been almost wholly indifferent to criticisms of the Bill. The most obvious amendment of all—the exclusion of ship repairing, an industry totally unsuited to nationalisation—appeared for one brief moment to be under consideration, but union demands for its retention proved too strong to resist. Modifying the compensation terms would involve neither loss of face nor a breach of faith with the unions. Both the shipbuilding and aerospace corporations are in any case going to face a very difficult initial period: a prolonged and bitter argument over compensation can only make their problems worse.

Tougher on drivers who drink

THE CASE for some tightening of the law relating to drink and driving is unanswerable. In the first place, the dramatic reduction in accidents initially brought about by the Road Safety Act of 1967 has since worn off, and a steadily increasing proportion of drivers killed in road accidents—especially those in the younger age groups—has been found to have more than the permitted level of alcohol in their blood. In the second place, the 1967 Act—to quote from the report of the Departmental Committee issued yesterday — "has generated more case law than almost any other recent enactment," and various ways of avoiding its scope on technical grounds have been successfully evolved. In the third place, more people than at the outset now seem ready to take the risk of being caught over the limit by an overworked police force. In the fourth, there has been a great change in public opinion, the majority of which now appears to be in favour of what is loosely called "random testing."

The general aim of the recommendations in yesterday's Report is therefore to be welcomed. It must be borne in mind, however, that part of the success of the 1967 Act was due to the publicity which accompanied it (and which younger drivers have not experienced) and that any new Act would also have to be accompanied by a major campaign of publicity and education about the effects of alcohol on driving ability.

Disqualification

Most of the specific recommendations seem unexceptionable. The same level of permissible blood alcohol as at present would be retained, but improved forms of breath analyser operated at police stations would be the normal means of measurement, with blood analysis as a check in some cases but urine analysis abandoned. The main penalty, in normal cases, as at present, would be a year's disqualification from driving, together with fines. But the Committee also recommends that a new class of "high-risk" cases should be established, consisting of those who were caught with a blood alcohol content well above the permitted maximum (the Committee suggests 200mg/100ml against the maximum of 80mg/100ml) or those who were convicted of driving offences involving drink twice within ten years.

It is the two remaining recommendations, which are to some extent interconnected, about which some doubt may well be felt. The first is the question of random testing. The Committee, concentrating on the way in which the accused have often been able to get off on technical grounds, recommends that the circumstances in which a constable may require a specimen of breath for testing should no longer be specified in the legislation. The second is the right to opt for trial by jury: the Committee sees no justification for such a right in relation to offences normally proved by objective measurement.

Random tests

Despite opinion polls, the probability that the police would not waste their time on "random testing" in the full meaning of the word, and the loopholes created in the present legislation by exploiting the conditions under which testing is permitted, we cannot go along with the recommendation that no conditions at all should be specified: it would put too much power into the hands of individual policemen. Nor can we accept the recommendation (though it has been endorsed by the Committee on the Distribution of Criminal Business) that the right to trial by jury should be withdrawn. But we do accept the general point that proof of an offence should not be "unreasonably" dependent on compliance with procedural requirements and suggest that a breath test would be in order whenever any traffic offence were committed. Once the main loopholes in the present law, most of which are based on compliance with proper procedure, have been closed, the incentive to opt for trial by jury will be much smaller.

Senator Hubert Humphrey

Jimmy Carter's early wins make him Democratic favourite unless unseated by Senator Humphrey

Carter's wagon rolling fast

From JUREK MARTIN, U.S. Editor, Washington, April 28

ROBERT SHORT comes from Minnesota but he is quite well known in Washington. He used to own the now-defunct Senators' baseball team. But to-day he is playing another game: he has taken it on himself to go and see his old friend and neighbour, Hubert Humphrey, and put it to him that if Mr. Humphrey ever wants to become President of the U.S. he is going to have to make his move now.

There are many regular Democrats, Mr. Short among them, who believe that Senator Humphrey, who has tried for the Presidency three times already and has served four years as Vice-President, would make the best Democratic Party nominee and the best chief executive. They know, too, that "the happy warrior" has chosen a unique course this year, that of running for the nomination by not running. It was always a calculated gamble, based on the assumption that none of what had seemed a distinctly unimpressive pack of declared candidates would catch fire in the long season of primary elections. What Mr. Short and his friends now believe is that Mr. Humphrey can remain silent no longer.

'A smoking pistol'

Just as Richard Nixon in 1974 found "a smoking pistol," at his head when full details of his conversations over Watergate were revealed, so Mr. Jimmy Carter's absolutely convincing triumph in yesterday's primary in Pennsylvania has put Mr. Humphrey under the gun. It is now quite clear that unless the mystical Governor Jerry Brown from California casts an 11th-hour spell over the party in the month ahead no other Democratic candidate is a match for the former Governor of Georgia.

Governor George Wallace from Alabama has sunk virtually without trace, which nobody had thought probable at the start of the year. Congressman Morris Udall from Arizona—humorous and talented standard bearer of the Left wing—has shown too few signs of being able to capture more than the intellectual, liberal, suburban constituency and is now starved of funds and hope.

And now Senator Henry Jackson from Washington, the Conservative Democrat, has been shown up in Pennsylvania for what many people always thought he was—a man who could win elections only when very special issues were paramount, as they were in his two primary triumphs this year in Massachusetts (fears of school integration) and New York (Jewish concern for the health of Israel). Mr. Carter put Mr. Jackson to the sword in Pennsylvania in spite of the support given to the latter by organised labour in a state which the trade union movement has long considered to be its own.

In Pennsylvania, the typical northern industrial state in which Mr. Carter sooner or later had to show strength in order to prove the viability of his candidacy, every socio-economic sector of the community, with the exception of Jewish people, fell to Mr. Carter. He even beat Mr. Jackson among old people and in union households.

It is this last fact which is perhaps most significant. Organised labour did pull out many stops for Jackson, perhaps not as many as they were capable of and perhaps with the caveat that their leaders were telling their members that a vote for Jackson was in reality a vote for their first choice, Hubert Humphrey. The policy did not work. That means one of two things—that people genuinely do prefer to opt for declared candidates; or that the notion that labour can swing elections is overrated and that rank and file trade unionists vote for whom they want, not for whom their shop stewards say.

This is the reality facing Senator Humphrey to-day. He knows that Mr. Carter has now won seven out of nine primaries and has a large lead in the delegate accumulating process. He also knows that not even the combined surrogate candidacies of Mr. Jackson and Mr. Udall in Pennsylvania could deny Jimmy Carter his victory, that no "Stop Carter" movement in any primary has so far been successful in spite of considerable criticisms of Mr. Carter in the media and in spite of gaffes such as Mr. Carter's notorious "ethnic purity" remark.

On the other hand, Mr. Humphrey will undoubtedly have read in his New York Times this morning that that newspaper's public opinion poll, conducted jointly with CBS Television, has concluded that if he had run in Pennsylvania he would have won with half the vote. But there are now only three primaries left which he can enter—in Nebraska and Oregon, where his name is on the ballot whether he likes it or not, and in New Jersey, a big election in June for which the filing deadline is to-morrow.

Last night, perhaps without the normal twinkle in his eye, Senator Humphrey commented, like the good party man he is, "If Jimmy Carter can win, I'm not going to try and stop him at all." The Humphrey calculation is that if anyone goes to the Democratic Convention in New York in July with 1,150 delegates under his belt (1,505 are needed to nominate) then the party would be unwise to deny him the prize.

More than any other Democrat Mr. Humphrey knows what it is to have a divided party. In 1968, a Convention, dominated by back-stairs power brokers handed him a bitterly opposed nominated; in 1972, even though no Democrat was ever going to beat President Nixon, he himself helped destroy what faint hopes for respectability Senator McGovern possessed by seeking to deny him the nomination on a rules technicality.

But he still has the power to create that division this year. For all his successes, Mr. Carter has still garnered less than a third of the delegates decided so far: almost as many are uncommitted and thought to favour the former Vice-President. It would, it is thought, be easier for Mr. Jackson and Mr. Udall to offer their delegate strength to Mr. Humphrey than to Mr. Carter, and there are "favourite son" candidacies in quantity in the upcoming 21 primaries, above all that of Governor Brown in California.

On the other hand, Mr. Carter is not the partial candidate that Senator McGovern was four years ago. Even the word from the White House is that President Ford's advisers are more nervous of taking on Mr. Carter than they are of the devil they know best of all, Mr. Humphrey. The Carter strength appears to be broadly based. He does appear to have struck a general responsive chord in the electorate and may well be able to unite the party for the November race as effectively as Senator Humphrey himself. That would not be possible if Mr. Humphrey attempts to defy the preferences of the public, as expressed so far, by working in cigar-filled rooms in Madison Square Garden to claim the nomination for himself.

The Humphrey dilemma leaves unanswered the very simple question why Jimmy Carter has done as well as he has. The conventional wisdom was that Mr. Carter was all style and no substance, that he had simply latched on to an anti-Washington sentiment and converted it into a potent political force with his charm, smile and deeply held religious faith as well as a shrewd tactical acumen.

It has become clear, however, that this underestimates the man. It remains true that his political antennae told him that it was unwise to be too specific too soon on issues and thereby be left vulnerable to counter-attack. But in the last month that deliberate vagueness has given way to an increasingly precise enunciation of arguments but couched not in traditional campaign terms but in his own philosophical approach.

Both Mr. Jackson and Mr. Udall, the yardsticks by which Mr. Carter must be measured, have not strayed from convention. Their rhetoric, be it on the economy, foreign policy, abortion and control of fire-arms is drawn from a political handbook. But the Georgian Carter talks both at and around issues: he does not harangue his audiences but endeavours to draw them into his confidence, to make them share both his beliefs and his uncertainties, which he does impressively simply because there is no doubt now that he has the best mind of any of the declared candidates.

His policies are broadly middle-of-the-road Democrat. On foreign affairs, as outlined in a speech in Chicago last month which, by common consent, has been the only political exposition fit to rank with the speeches of Henry Kissinger. Broad support for traditional alliances in Europe and Japan and fostering of bilateral relations with the Third World are the cornerstones. Defence spending would be cut by the elimination of waste, but, with the exception of South Korea, overseas troop strength would not be reduced. The U.S. should not seek to impose its will unduly on its allies (and would come to terms with, rather than prevent the accession of, Communist governments in Western Europe) and would pursue détente with the Soviet Union though with greater awareness of American interests.

Harmonisation of policies

His economic positions eschew extremes, but are more concerned with the involvement of private enterprise than with the creation of jobs by the Federal Government. By inclination, and on the strength of his record as Governor of Georgia, he is a micro-rather than a macro-planner. His overall goal of achieving 4½ per cent. adult unemployment by 1979 would entail isolating specific weaknesses in the economy, such as those affecting the blacks: he argues that an annual growth rate of 4-6 per cent. would produce a balanced budget in three years' time and that should be greater harmonisation of monetary and fisc[al polic]ies. (The Chairman [of the] Fed is elected to [the] same four year term [as the] President). There wo[uld,] of course, be an assault of [bureau]cratic inefficiency.

They are the sort of [policies] that fit into the mainstr[eam of] Democratic thinking. [Tradi]tional Democrats have b[een dis]turbed by their eclectic [presen]tation, but they have n[ot made a] serious issue with th[em in] recent weeks, preferring to focus on Mr. Carter's inexperience and what [they see] as an unwillingness to [deal] with certain party shi[bboleths] (of which the unf[ortunate] remark about "ethnic [purity"] was a prime example).

All this comes back [to the] simple fact that the De[mocratic] Establishment neither [likes] nor owns Jimmy Carter [and, in] turn, has declined to be [his] endorsement. He wel[comes them] to the fold but only on [his] terms. This is a searin[g experi]ence for the Establishm[ent and] it is why Mr. Robert S[hort and] Mr. Humphrey's many [friends] are imploring him to c[ome] into the open. But it [may not] be enough.

There is grave doubt [that the] party hierarchy can in[flict its] wishes any longer on th[e] Democrat. While all th[e] opinion polls show M[r. Hum]phrey to be the overw[helming] choice of the politica[l profes]sionals, they also show [that] Carter has as much [or a] better chance of beati[ng Presi]dent Ford in Novembe[r. In the] view of the man in the [street] and the U.S. gives one [man one] vote, no more, no less.

THE DELEGATE COUNT SO FAR

Carter	373	Humphrey	64
Jackson	230	Uncommitted	355
Udall	182	Others	155
Wallace	109	Totals	1,468

There are 3,009 delegates going to the convention. A total of 1,505 are therefore needed for the nomination.

The above total is drawn from nine primaries and completed or partial caucus processes in 12 other states and three territories (Virgin Islands, Puerto Rico and the Canal Zone).

Source: Washington Star

PRIMARY SCHEDULE TO COME

May 1st	Texas
May 4th	Alabama, District of Columbia, Georgia, Indiana
May 11th	Nebraska, West Virginia
May 18th	Maryland, Michigan
May 25th	Arkansas, Idaho, Kentucky, Nevada, Oregon, Tennessee
June 1st	Montana, Rhode Island, South Dakota
June 8th	California, New Jersey, Ohio.

Convention held in New York on July 11th

Jimmy Carter celebrates his victory in the Pennsylv[ania] primary.

MEN AND MATTERS

Why LBC turned down Hestair's ad

Things have got better lately, but there was a time when London Broadcasting, the commercial radio station, would have sorely missed £500. Now, presumably, LBC can grin and bear not receiving the sum, which is the amount the Hestair group was prepared to pay in a pilot scheme to advertise its report and accounts.

Newspapers long ago found the financial advertising market lucrative and safeguards have gradually evolved to protect the public from those who would mislead. Commercial radio and television has, properly, been more circumspect. Post Office certificates and so forth can be publicised, and so can local authority bonds and building societies. There was quite a bit of agonising before unit trust advertising was admitted, and from the beginning of this year, unit-linked life assurance was allowed on the air.

But straightforward equities are still regarded with grave suspicion by the Independent Broadcasting Authority. No one anywhere can advertise by saying: "Buy our shares. Cheapest they've ever been. Hurry," or whatever.

In order to prevent "back door" pushing of a particular investment, the IBA also bans ads designed "to enhance the financial reputation of companies." Which means that references to profitability have to go, indeed the IBA is against any extracts from chairmen's statements in the belief that telling only a small part of the corporate story does come under the misleading heading. It is, of course, an endless debate whether the old ploys of claiming one washing powder does better than a rival unidentified brand really comes anywhere near telling the whole story either.

So Hestair fell foul of the IBA rules. It had planned a small campaign, starting the day its annual accounts come out (next Tuesday), stressing the rise in profits to a record £3.11m. (from £2.09m.) last year, and saying where the report and accounts could be obtained.

Hestair was understandably disappointed with the suggestion from the commercial people that the ad should be watered down to something on the lines of the fact the report had just been published, where it could be obtained, and perhaps adding that further details could be found in the FT. Which would have been nice for us. Never mind.

Life on the wave with Ted

I am sure LBC can bear up under the strain of not getting Hestair's business in the light of commercial radio's coup, announced yesterday, in signing up Edward Heath for a 12-week series on sailing. For a man whose life has been so much dedicated to politics, he has shown quite a talent for telling the world about his hobbies. Apart from writing and talks about boats, the former Tory leader has also made several TV appearances featuring him talking about and/or playing music.

Ushered in by Handel's Water Music, the programmes will aim to stimulate interest in the subject and offer guidance on technique (Heath will include by way of warning an account of a collision between his first dinghy and a Broadstairs jetty). He will also offer advice on those looking for their first boat, timely in view of his political opponents' recent decision to take boats off the luxury VAT rate.

"Last orders, gentlemen please!"

The spiritual way

Harking back to advertising, some of the industry's leading names are in Italy at the moment for discussions on current problems. Despite the political upheaval around them, the advertising people decided on a very unradical programme. Yesterday a five-man delegation had a private audience with Pope Paul and presented several English books on advertising and "its role in society."

To-day, obviously determined to press ahead with the spiritual side of life, the European Association of Advertising Agencies will be addressed by Bishop Deskur, chairman of the Pontifical Commission on the means of social communication. The idea is to discuss the Vatican's 1971 document "Mass media—the pastoral instruction," which should make for a debate with some interesting twists on the old bogeys of materialism.

Charitable tale

Moving house always presents problems, but a colleague thought he'd avoided most of them—until it came to his brand new gas cooker (over £300 worth). The previous occupant of his new house had promised her old stove to a charity. The Gas Board left the whizzy new machine in the garage and (you guessed) along came someone and collected it for the charity.

My colleague eventually retrieved his new cooker, being asked by a lady from the charity: "Would you mind arranging for the old one to be sent to us. We had already paid out £2 for someone to collect yours."

Take note

As my contribution to the present kerfuffle over the smuggling out of banknotes to beat the investment premium rules, here is a cautionary tale about a couple of likely lads who, minded to make a fortune, reviewed the possibility of forgery.

"But it's illegal," declared one of them. "Ah, there's a good way round that," said his partner. "Let's print £18 notes. I don't think there's any law specifically banning that." The printing presses rolled, and some strikingly presentable £18 notes were duly produced.

Then of course came the problem of how to dispose of them. The pair decided to fly to one of those select little countries, where the weather is good and taxation and other monetary rules generally slack. Arriving in town, and to test out the market, the forgers entered a bank and asked a polite cashier to change one of their notes. "Certainly," came the reply. "Would you like three of £6 or two of £9?"

Observer

هكذا اصلها الأصل

ECONOMIC VIEWPOINT

BY SAMUEL BRITTAN

The fools' paradise that lies ahead

...RM OPTIMISM and ...pessimism have for ...w months described ...e to the economic ... Neither of these ...s been disturbed by ...sterling crisis. ...ot yet know exactly ...ow much sterling; ...reserve figures will ...e, but not tell the ... The storm is likely ...er very soon. Mr. ...l get his piece of ... the TUC; and the ...l will abate for a ...will be a very mixed ...s nothing concen... minds of our rulers ... a run on sterling, ...only thing that can ...a reappraisal of mis...cies.

...s contingency plans ...ing Government ...more, alas through ...consumer taxes than ...vernment spending ...be put back in their ...nt we will go back ...illusion fostered by ...and the media, that ...is a matter ...and price ...

... crisis created ...ey's opening bid for ...nt. wage norm has ...he large amount of ...progress that has ...in reducing the in...—and the signs of ...onomic recovery.

...f sterling have the habit of believing ...ead. When they read ...omes policy pact is ...the British Govern...k on inflation, they ...ress on that front. ...read that the Chan...he Exchequer con...er cent. norm essen...e that norm being denounced as too low by union leaders, they tend to think that the pay policy has reached a crisis. Mr. Healey cannot really expect holders of sterling to know that when he says 3 per cent., he is only making an opening bid and will be glad to settle at something else.

One should be fair, however, even to Mr. Healey. The final norm that is agreed with the TUC might well be 1 per cent. less than it would otherwise be as a result of his shock tactics. The run on sterling probably helped to shade the figure further downwards and certainly brought forward the date of an agreement. If I shared the Chancellor's view of the all-importance of a piece of paper with a low number from the TUC, I would appland his tactics.

Pound flurry

The flurry over sterling has diverted attention from the fact that the U.K. is entering an export-led business recovery, that output is rising and the inflation rate falling. It is true that the improvement is just what is usual at this stage of the cycle, with an extra boost to output from sterling depreciation which will at the same time reduce real incomes. It is also true that the excessive reliance on incomes policy will lead to repetition of the Heath experience and the eventual generation of another inflationary boom. The suppression of market forces by controls and the erosion of incentives through a non-indexed tax system will also contribute to a long-term rise in unemployment and a continued decline in Britain's living standards relative to other countries. But none of this affects the fact that the spot indices, such as exports, jobs and prices, on which popular attention is concentrated, are all at present on a favourable course.

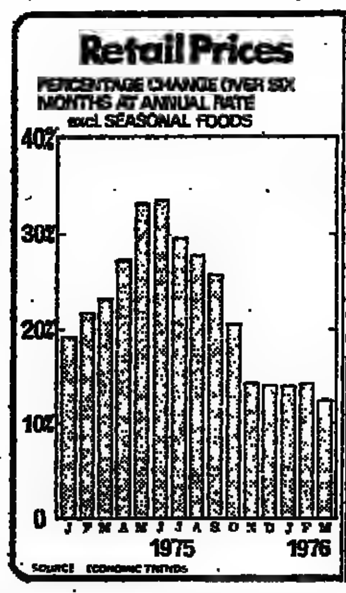
Indeed the combination of short-term improvement with a bad underlying position would point to an economic case for an election this autumn, or next spring, which would give Mr. Callaghan his best chance of being confirmed as Prime Minister in his own right. The arguments against are non-economic. The Prime Minister would be throwing away a certain two or three years in office for a mere probability of another full term.

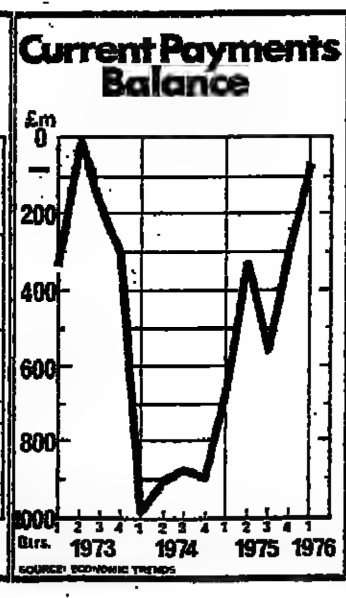
Nevertheless, the extent of the short-term turn for the better in the U.K.'s fortunes has still to be appreciated. When it is, the authorities may even be embarrassed for a brief period by a reflex upward jerk in sterling and try to prevent the pound from rising too far by repaying short-term credit.

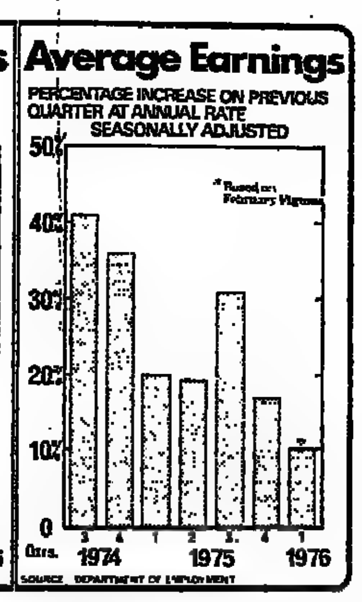
Part of the reason why the underlying improvement has not been sufficiently appreciated is that people either look at one month's figures, which are so volatile that they are discounted, or at comparisons over a year, which are so long that they hide important changes in trend. The March trade figures were erratically good and abnormal fluctuations in precious stones and fuel are known to have been an influence.

But if we look at the first quarter of 1976 as a whole, which irons out some of the erratic movement, the current deficit was running at an annual rate of only £300m., lower than any whole year since 1972. Export volume was up by 3 per cent. and import volume was down by 3 per cent., compared with the previous quarter; and the British share of world trade may even have improved in 1975, as in one or two other previous recession years. Most interesting of all, export prices rose by 4½ per cent.—more than import prices—in the first quarter of 1976. This suggests that British exporters are beginning to price at what the overseas market will bear, and not in sterling equivalents, as the discredited J-curve theory would suggest.

No doubt restocking and the resumed rise in world commodity prices will eventually hit overseas payments again. But we will be starting from a much improved basis, and there could even be a period of payments surplus before the next falling off begins.







Nowhere is the habit of making comparisons with a year ago more unnecessarily misleading than in retail prices. The Department of Employment now provides an index with seasonal foodstuffs removed, which is a pretty good approximation to a seasonally adjusted index. A six months comparison, using this index, gives one the best available index of the trend of retail prices. Measured on this basis, prices are now rising by just over 12½ per cent. at an annual rate—as the chart shows, a very big drop from the 25-30 per cent. levels in the middle of last year.

Similarly, the increase in earnings has come down a great deal. It does seem absurd to compare earnings with a year ago, when the Department of Employment publishes a seasonally adjusted index. The quarter by quarter increases indicated on the chart show a downward trend since the end of 1974. The temporary bulge in the third quarter of 1975 will be interpreted very differently by monetarists and incomes policy addicts. But the important point is that the increase in earnings has fallen dramatically between the 1974 boom and to-day.

The deceleration in the growth of wages reflects the monetary slowdown of 1974-75 and the severe recession from which we are just emerging. The £6 pay limit has had an effect on the timing of the deceleration but on very little more, and at the expense of turning over governmental powers to Mr. Jack Jones. Any excess budgetary or monetary stimulus this year will come too late to aggravate inflation in 1976, although the portents are ominous for 1977-78. Indeed, sales of foreign exchange to support sterling may well have held down the money supply for the time being.

Because prices are rising less than a year ago and because wages are still being influenced by the recent slack in the labour market, the increase in earnings may continue to drift down for a little longer. Reasonable men may disagree whether they will continue to drop early in 1977; but by the second-half of next year, wages will have started to turn upwards again, unless there has been a sharp change of fiscal and monetary policy much earlier on.

This will be little influenced one way or another by the piece of paper which Ministers will extract from the TUC. According to Mr. Edmund Dell, the Secretary for Trade, earnings rose by 13 per cent. per annum during the period of the £6 pay norm which was supposed to be worth 10 per cent. to 11 per cent. on wage rates. Thus a drift of 2 per cent. to 3 per cent. occurred with an inflexible lump sum for all during the severest part of the recession.

Let us suppose a norm of 4 per cent. is now agreed. The consolidation of the £6 into overtime and bonuses could alone add over 2 per cent. "Drift" is likely to be much higher during a period of economic recovery than it has been since last August; and the new policy is bound to contain some provision for exceptions and special cases. Thus, even without a spectacular breakdown, it is difficult to see how earnings can be rising by much less than 10 per cent.; and by 1977 difficulties about relativities will be acute and market forces will be pushing earnings upwards.

Thus, the chances are that inflation will reach a trough either just above or just below 10 per cent. at the turn of 1976-77, before excess demand growth takes us on to fresh heights. But it will take some time for it to be clear that the inflation rate is not going to fall a great deal further. In the meanwhile, the foreign exchange and gilt-edged markets may be impressed by the de-escalation from last year's inflation rates. The difference between the British inflation rate and the OECD rate of 9 per cent.—or even the U.S. and German rates of 5-6 per cent.—has been amply covered for some time to come by sterling depreciation.

It is not unduly perverse or paradoxical to be worried by the reasonably good short-term outlook. Any temporary economic success will be attributed to incomes policy and the pressures to tackle government spending and borrowing will be reduced. When Mr. Joel Barnett, the Chief Secretary to the Treasury, scoffed at his own Department's growth forecasts, along with other predictions, a few weeks ago, he was not just being facetious. He knew that the growth projections were based on a 700,000 unemployment target for 1979, which few people regard as realistic but to which Ministers have to pay lip service to appease the TUC.

This is richly ironic because the reasons why 700,000 is an unrealistic target have much more to do with the anti-free market policies foisted on the Government by the unions than with the import propensities which seem to fascinate a strange coalition of Cambridge economists and Conservative MPs. The practical point, however, is that until there is a spectacular breakdown in incomes policy or an adverse foreign exchange market reaction to British money supply figures, we are not going to get a reappraisal. But by then it will be too late.

Letters to the Editor

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...County Industrial ...t Officer, Glamorgan.

...r editorial (April 15) ...lems of British Steel ... and the first day's ...the Select Committee ...lised Industries' in... into BSC's affairs, ...itable starting point ...portant debate about ...of steel in Britain.

...t of steel industry do ...the public sector? ...Finniston's ideal was ... the maximum ton... minimum number of ...xploiting to the full ...al economies of scale ...-carriers, giant blast ...0-tonne basic oxygen ...tinuous casting, etc. ...is so simple has not ...ved. When an old ...is closed and its ... transferred to a ...e efficient modern ...elsewhere, by some ...process, imports rise, ...tor production rises ... market share falls. ... imports alone since ...on in 1967 consti...r annual production ...in Ebbw Vale and ..., the two doomed ...n South-East Wales. ... that the steel indus...odernisation, but the ... certainly come to ...hether BSC's own ...n strategy ought ...replaced now by a ...ralised, flexible and ...tegy.

...worth considering ...concept of reward...w investment those ...performing well and ...ose works which do ...not now be more ...than the chairman's ...et saying: "I desig...aside, Port Talbot, ... Llanwern and ... to receive all the ...in steelmaking for ...years, and that's the ...

...y partly due to this ...t of modernisation, ...only by economies ... major plant, that ...SC's loss of market ...profitability, rather ...airman's weary list ... before the Select ...(Government inter...le union opposition ...ng, private sector ...empting the scrap, ... steelworks earned ...be modernised by ...performance, rather ...or designation, then ...ke absolutely sure ... the output with ...performance, good ...ons and good tech...mance. That, in ...keep the imports ...he chairman of BSC ...saying is "I will ...e plant investment ... works or divisional ...ose works make a ...ill not listen to any ...ideas in a division or ...large sums of BSC's ...at is surely the way ...e dynamism bottled ...e industry.

...t (retiring) chair...SC sees his own ...un the steel indus...g perpetually frus...ivil servants who ...g about the indus...l closure communi... Cardiff, life is seen ...ently. It is the ...BSC who is frus...attempts to run a ...y in Cardiff. He ...y no regard to the ...of the East Moors ...xample, in making ...he SIP experiment ...ng the first 50 feet ...ain. Even his own ...not seem to have ...e in his thinking since East Moors is a coastal works and after closure its production is to be transferred to two inland works in Eastern England.

The Government's new industrial strategy has been described as "backing winners." Lord Ryder's philosophy at the National Enterprise Board and British Leyland leans towards vigorous decentralised profit centres, rather than corporate centralism. It is certainly to be hoped that BSC's new chairman, Sir Charles Villiers may see that in steel the day of the inflexible paper masterplan is long gone, if it ever existed.

Rhodri Morgan.
County Headquarters,
Newport Road,
Cardiff.

Casuist at the Treasury

From Mr. L. Clark

Sir,—An unindexed long-term capital gains tax at the rate of 30 per cent. coupled with double figure annual rates of inflation is such a fiscal enormity that Mr. Healey's remark in this connection in his Budget speech—"I have come to the conclusion that this—indexation of the long-term CGT—"would not be right"—must arouse doubts of his powers of reasoning. What arguments can he put up?

"The crucial question is whether those people with chargeable assets should have their tax liabilities insulated from the effect of inflation." He points out that increased allowances have not always eliminated completely fiscal drag in the case of income tax payers, and that "those who put their money into building societies, savings banks and the like" have suffered losses in real terms on their savings.

They, as indeed many others, have suffered from inflation. Therefore an unindexed long-term CGT, a tax on inflation, which varies directly with the rate of inflation, is justified. The enormity is perpetuated on bogus grounds of equity.

Both arguments were put forward by Mr. Nott, Minister of State, Treasury, on July 10, 1972, when turning down a motion to "taper" the incidence of long-term CGT. Tweedledum and Tweedledum? Who is the casuist in the Treasury?

Laurence Clark.
6 Temple Gardens, Moor Park,
Rickmansworth, Herts.

South African attitudes

From the Honorary Personal Representative to Chief M. Gatsha Buthelezi in the U.K.

Sir,—The Director of Information at the South African Embassy in London, Mr. Chris van der Walt, has severely criticised (April 12) the article by Mr. Joe Rogaly (April 5) as suffering from "inaccuracies and and an ignorance of realities."

Mr. Van der Walt cites as an example of his form of "reality" the impending "independence" of the Transkei on October 26. He calls it "sovereign," but most Blacks I have met call it "pseudo-independent" and yet others ascribe to it even less flattering epithets. On the very eve of "independence" the Chief Minister of Transkei, Paramount Chief K. D. Matanzima, makes a perfectly reasonable request for an amnesty for Transkeian political prisoners and detainees including his distinguished relative, Mr. Nelson Mandela. What is the response from Mr. J. B. Vorster, the Prime Minister?—An emphatic refusal!

If homelands "independence" was ever a genuine popular fulfilment of the Black peoples' aspirations why don't Messrs. Matanzima and Mangope accept Chief Buthelezi's challenge made in his famous Soweto speech of March 13 viz.: that "No single Black leader will dare to go to his people to decide the independence issue on the basis of a referendum. This in itself speaks volumes." The galling allegation, stated as though it is an indisputable fact by Mr. Van der Walt, that Messrs. Phatudi, Mangope and Ntsanwisi have been "democratically elected" must rank as one of the biggest jokes in the whole of the Bantustan saga. According to the 1972 composition of the Bophathathwana Legislative Assembly (Mangope's Homeland) there are 72 members of which 24 are elected which means that 48, the overwhelming majority, are nominated by the Government.

The most disturbing part of Mr. Van der Walt's startling contortions is his attack upon the integrity of Chief Buthelezi. We read with utter amazement that he has "consistently refused to allow elections . . . (and he) does not remotely represent the Black majority. . . ." Yet it is strange indeed to impartial obeservers that Chief Buthelezi is the sole and only Homelands leader who regularly does hold huge and unprecedented rallies in the heart of Blackland, Soweto.

I will not burke the issue of delayed elections in Kwa-Zulu. Chief Buthelezi has spoken for himself, "I am getting sick and tired about these lies about the elections," he said recently. It was the Government's dream of consolidating Kwa-Zulu in little pieces that was causing the delay, because it meant that electoral divisions had to be determined in terms of leopard skin affair. Until the boundaries of Kwa-Zulu had been finalised, the boundaries could not be determined. "Another factor in the delay was the slow progress being made by the Department of Bantu Administration and Development in issuing Kwa-Zulu citizenship certificates," he said. "The Kwa-Zulu Legislative Assembly had unanimously decided not to hold elections until the certificates have been issued because of fear that if the hated pass was issued as a means of identification, the elections could be rigged."

Finally Mr. Van der Walt makes veiled allusions to the dangers and horrors of Communism (c.f. Hungary and Czechoslovakia). Chief Buthelezi is not a Communist and has never been a Communist; he is nobody's puppet. If he were "a fellow-traveller" why is it that the publication "African Communist" devotes almost as much space to attacking Chief Buthelezi personally as it does to attacking Mr. Vorster himself? The Communists are far too shrewd not to know who their friends (and their tools) are! They being down-to-earth realists clearly realise that after the demise of the Vorster regime (whether by evolutionary or violent means) the choice of leadership inevitably lies among Nelson Mandela, Robert Sobukwe and Chief Gatsha Buthelezi and hence they are eager to eliminate one of the most formidable candidates in the forthcoming contest.

P. V. Tulisizwe Mbatha.
32, Grosvenor Road,
Ilford, Essex.

Hairy chested machismo

From Mr. D. White.

Sir,—Commenting on the H. P. Drewry analysis of the causes of the present tanker over-supply (April 26), C. Gordon Tether argues, as does H. P. Drewry, that the tanker crisis arose in the first place primarily from over-ordering by private concerns on their own initiative and in response to "market forces." He then goes on to promote this as an example of the sort of "planning" blunder by private enterprise in recent years, that has created "havoc" and called the viability of the system into doubt.

The basis of his argument is that there would have been over-supply—10 per cent. according to H. P. Drewry—even if there had been no oil price explosion and that, in any case, some sort of trouble from the Organisation of Petroleum Exporting Countries should have been foreseen. Mr. Tether should be careful about taking such assertions as gospel. H. P. Drewry may possibly be right that an over-supply was inevitable on the basis of end 1973 order books but the case is by no means proven. The question as to what constitutes an order book is, for instance, open to interpretation—there is a difference between firm orders and options on berth. So, too, is what corrective action may have been taken by shipowners in the face of an "inevitable" over-supply.

Even accepting that over-supply was inevitable—and it seems to me that a 10 per cent. margin is not so horrific—Mr. Tether should make some effort to appreciate the degree of Government interference affecting the industry in the past decade. Quite apart from the fact that it was Government printing presses that provided the shipowners, bankers and shipyards with the means of being rash in 1973, the amount of Government inspired incentives to "invest" (a word now in vogue with many Governments) in ships, then as now, have a very considerable distorting influence on the "market forces." These take the form of tax incentives to shipowners, direct and indirect subsidies to both shipowners and shipbuilders and guarantees to bankers. To absolve Governments from a significant part of the responsibility—even the prime responsibility—for the tanker crisis is to disregard the competitive protectionism imposed by Governments for many years. Shipbuilding, after all, was one of the great areas of hairy chested Governmental machismo.

One of the bases of the private enterprise system is that those who are financially rash have either to adapt or take the consequences. Governments, shipowners shipyards and bankers who were rash in 1973 are now faced with having to accept the consequences or adapt. Some Governments, wrong-headed as ever, continue to seek "solutions" divorced from "market forces" and will thus prolong the agony.

As regards the collapse of the secondary banks, no sane man would deny that the entrepreneurs who promoted these were rash. They were rash in the sense that they believed that Governments could go on printing money without there being consequences—one of which being that the ground rules applying to the property market (the prime protection against inflation in those heady days) would have to be changed.

D. M. White
5, Ceylon Road, W.14.

Reduced water pressure

From Mr. C. Simeons

Sir,—Water authorities are rightly warning of the possible need to reduce water pressures to conserve supplies. Perhaps next time they will remind everybody of the dependance of water sprinklers, fire fighting and syphoning equipment in industry upon water pressure so that the necessary corrective measures may be taken.

Charles Simeons.
21 Ludlow Avenue.
Luton, Beds.

Well-flogged horse

From Mr. M. Greener.

Sir,—Mr. J. D. G. Bennett complains (April 27) that he, as a shareholder, has little opportunity to question the merits of the directors selected to govern the affairs of his company. While one has every sympathy with his feelings in such a matter it must be reasonably apparent that he is causing unnecessary suffering to an already well-flogged horse.

Sixty-five years ago, Mr. Hartley Withers, editor of the Economist and an eminent commentator on company affairs, summed the matter up delightfully in his book "Stocks and Shares"—which might well be made compulsory reading for all investors. He stated, inter alia, that ". . . in actual practice that the Board is a committee chosen by the shareholders to supervise the conduct of their business in their interest is found to be a delusion. The Board founds itself . . . and tends to remain in office subject to purely formal confirmation by the shareholders; when a vacancy occurs the Board chooses itself a new member . . . and joint-stock companies are thus governed by a self-elected oligarchy which is liable, in extreme cases of mismanagement or misfortune, to be turned out by a revolt among the proprietors . . . the shareholder is merely an appendage who provides the capital, takes his dividends when he can get them, and has even less voice in the management of the company than the average elector has in the conduct of the Foreign Office."

Three major Companies Acts have passed before us since those criticisms were levelled. Has anything really changed this picture?

Michael Greener.
9, Romilly Park,
Barry, Glam.

Friends from overseas

From Mr. B. Jamieson

Sir,—I do hope that R. L. Travers's letter about a tax on foreign tourists in Saturday's FT was written with tongue in cheek.

Surely it is rather a pleasant thing that in the U.K. we can manage without such a tax which if introduced would no doubt require a new army of bureaucrats to administer. That would then not raise much except people's tempers.

Does he really expect foreigners all to speak English? Or can he go to the Netherlands, Japan, India or Russia and converse freely with the natives in their own tongue?

No, I am afraid that Mr. Travers is suffering from an attack of xenophobia. We ought to be pleased to see all these friends from overseas helping the pound, if ever so slightly, from falling faster than it might; and are British tourists better behaved abroad?

B. G. W. Jamieson.
13, Rustwick,
Tunbridge Wells, Kent.

To-day's Events

GENERAL

City Take-over Code's revised edition published.

Prices Commission quarterly report—December 1975 to February 1976.

CBI Economic Situation Committee meets.

Mr. Ron Hayward, general secretary, Labour Party, addresses meeting of London Co-op Political Purposes Committee, New Ambassadors Hotel, W.C.1.

Mr. Andrei Gromyko, Soviet Foreign Minister, ends three-day official visit to France.

Financial Times two-day conference, New York—World Financial Centre, opens at Waldorf-Astoria, New York City.

Sir Lindsay Ring, Lord Mayor of London, attends freedom ceremony of Lord Mayor of Sydney, Guildhall, London, E.C.2.

PARLIAMENTARY BUSINESS

House of Commons: Second readings of Industry (Amendment) Bill and of Parliamentary and Other Pensions and Salaries Bill.

House of Lords: Debate on defence estimates.

OFFICIAL STATISTICS

Department of Energy publication—Energy Trends.

COMPANY RESULTS

Matthew Hall (full year). Hoover (1st quarter). McKechnie Brothers (half-year). S. Pearson and Son (full year). Tarmac (full year).

COMPANY MEETINGS

British Aluminium, Norfolk House, S.W., 10.30. British Petroleum, Britannic House, E.C., 12. City and Foreign Investment, 117, Old Broad Street, E.C., 2.30. East Lancashire Paper, Radcliffe, 11.45. English Property, Dorchester Hotel, W., 10.30. Hellenic and General Trust, 41, Bishopsgate, E.C., 3. Kleinwort Benson Lonsdale, 20, Fenchurch Street, E.C., 12. Mather and Platt, Manchester, 12. Montfort (Knitting Mills), Leicester, 12. Norrington (Henry), Exeter, 12. Sharpe (W. N.), Heaton Bradford, 12. T.P.T., Manchester, 12. Watmoughs, Horsforth, 12. Yorkshire Chemicals, Leeds, 12.

Telephone Rentals tops its forecast

GROUP PROFIT, before tax, of *Telephone Rentals was a record* £7.93m. for 1975, compared with a forecast, in line with the £7.45m. for 1974. At halfway profit was £3.57m., against £3.55m.

As to the current year the chairman, Mr. E. H. Cooper, says it is again difficult to forecast but the company is in good shape to take advantage of any recovery in the economy that may occur towards the end of 1976 or early 1977 and the directors anticipate that "further steady progress will be made during 1976."

Stated earnings per 25p share *are 20.43p against 10.21p before* tax, and 9.82p against 9.15p at the net attributable level. A final dividend of 3.5p lifts the net total from 4.375p to 4.75p.

	1975 £	1974 £
Turnover	26,199,626	23,170,799
Installations deprcn.	2,707,558	2,443,516
Other deprcn.	157,816	175,431
Trading profit	7,374,464	6,664,513
Share associate	282,014	175,758
Int. received	274,630	614,640
Profit before tax	7,931,108	7,454,911
U.K. tax	2,610,122	2,137,171
Overseas tax	590,931	522,295
Deferred tax	888,236	1,219,848
Net profit	3,841,819	3,575,539
Minority	29,138	25,632
Net attributable*	3,812,681	3,549,907
Interim dividend	485,127	485,127
Proposed final	1,335,356	1,212,818

*Attributable net profits stated net of deferred tax, previously shown separately as transfers to tax equalisation reserves.

● **comment**

The 6.3 per cent. pre-tax profits growth at Telephone Rentals was a quarter below its average growth rate of the previous five years, yet the 3p gain in the shares to 104p reflects relief at real growth. The recession had its effect on TR in the second half, with sales up by 4.4 per cent.; *volume decline was also* suggested by the 28 per cent. drop in deferred tax for the year. But the net result on profitability in the second half was positive because of more (higher margin) maintenance contracts, an improvement in the ratio of sales to rental, and slower cost increases. These factors may bring another small gain in 1976 to perhaps £8¼m., suggesting a prospective p/e of 9.8. Although inflation has tarnished TR's premium rating there is an argument for an improvement as more escalation clauses in its rental *contracts (making up over half* the turnover) gradually become effective and there are hopes for a strong performance in 1977. Underpinning the 7.3 per cent. yield is a growing fashion for office equipment shares.

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recovery in circulation while costs remain relatively stable. Meanwhile, an increase in rates next month to cover the expected 10 per cent. newsprint price rise will provide some benefits for the current year which ends in June. So, all in all, full-year pre-tax profits of over £1m. are on the cards and the 'A' shares rose 1p to 29p where the minimum prospective p/e is 9.5.

Burrell recovery trend

MAKERS of chemical colours, Burrell and Co., reports pre-tax profits of £68,917 for 1975 compared with £707,287 previously, *after being well down from* £445,000 to £2,200 in the first six months. Turnover for the year was £5.23m. against £6.11m.

Given a continuation of improved conditions, the directors are envisaging pre-tax profits for the first half of the current year of not less than £325,000. The profit slump in last year's first half was due mainly to an "unprecedented reduction" in demand.

The chairman, Mr M. C. Ashworth, says the uplift in demand from the break-even position at the half-way last year did not take place until November so that *profit is effectively attributed only* to the last few weeks of the year's trading.

Demand continues at the considerably improved level with exports well to the fore.

The directors are recommending an unchanged final dividend of 0.4075p net making a same-again total of 0.6p from stated earnings per 5p share of 0.12p compared with 1.34p.

Sanderson Kayser downturn

PROFIT, before tax, of steel and tool manufacturers, Sanderson Kayser, dropped from £0.92m. to £0.74m. for 1975 after a lower first half of £0.37m., compared with £0.43m.

In October last year the directors said that second-half profit was unlikely to equal that of the first, although the year-end result would be better than 1973's £0.66m.

Yearly earnings per 25p share are shown to be down from 7.46p to 3.59p—the net dividend total is held at 3.58p, with a final of 2.36p.

● **comment**

Although Sanderson Kayser's full-year profits are slightly ahead of most expectations, they still reveal a second-half acceleration in the downward trend: the rate of decline increased from 14 per cent. in the first six months to 24 per cent. pre-tax in the second. U.K. sales volume fell steeply throughout last year and the only really bright spot in the group was export sales, which held their own and increased their share of total turnover above the 15 per cent. achieved in 1974. The group reckons that demand is now off *the bottom and recent figures* from the machine tool industry (the group's largest customer) appear to bear this out. Its financial position has remained reasonably strong—it still has no borrowings—and, although any recovery this year is likely to be at a fairly gradual pace, the shares, which at 54p are yielding 10.6 per cent. on a p/e of 9.2, may already *be taking some account of this.*

First half setback at BPM

FIRST-HALF (to December 27) pre-tax profits of BPM Holdings were *approximately halved at* £400,000, against £821,000, obtained from a higher external turnover of £16.3m. compared with £14.9m.

Chairman, Sir Michael Clapham, *explains that the beginning of the* period saw a continuation of the problems which depressed the national economy and affected the newspaper industry particularly. Also, both sales and revenue were seriously affected by industrial disputes.

He reports that in other areas, T. Dillon and Co. again increased profits, as did BPM Exhibitions, but their results cannot offset the "great drop" in newspaper publishing profits.

Sir Michael says the immediate outlook is "rather more cheerful," with newspaper revenues improving as the heavy expenditure cuts of last year begin to take effect and with signs of a modest improvement in advertising revenue.

There has also been a recovery on the circulation of some papers from last autumn's depressed levels. Effort is now being concentrated on changing over to the *new technology of printing.*

Earnings per £1 Ordinary for the six months are shown to be down from 9.8p to 4.7p. The interim dividend is again 1.75 per cent.—last year's total was 10.2478 per cent. paid from taxable profits of £1.23m. and earnings of 13.3p.

● **comment**

Though reflecting the national malaise of the newspaper industry, BPM's trading profits drop of 30 per cent. is also partly due to industrial disputes, as well as start-up losses at Sandwell Evening Mail. However, with the difficult first six months behind it, the company is apparently seeing some profit recovery in the current half. Advertising revenue *is improving on the back of a*

Record £1.71m. by Bodycote

ON A TURNOVER down from £23.47m. to £20.83m., pre-tax profit of textiles group Bodycote International increased from £1.69m. to a record £1.71m. in 1975, after £840,000, against £820,000, for the first half.

The chairman, Mr. Joseph Dwek, says business is at a similar level in the current year, but profits will depend on the country's economic climate.

Earnings per 5p share for the year are shown at 3.15p against 3.18p. The final dividend is the forecast 0.315p, raising the net total from 0.6151p to 0.665p, the maximum permitted.

	1975 £	1974 £
Turnover	20,833,000	23,472,006
Pre-tax profit	1,712,437	1,685,341
Taxation	885,249	850,154
Net attributable	827,188	835,157
Dividend	174,490	161,363

● **comment**

With borrowings now down to about 40 per cent. of shareholders' funds compared with some 85 per cent. in 1974, Bodycote's maintenance of its profits level on a 12 per cent. fall in turnover has clearly had a lot to do with reduced interest payments. However, in a difficult year, when about £110,000 worth of profits last year from companies now closed had to be made up for, some resilience against the industrial recession was also apparent. The affect of cheap imports on the protective clothing and safety division was minimised by concentration on specialised products, so that the 38 per cent. profits contribution level was maintained while new industrial safety laws continue to give encouragement. Meanwhile, the Dutch company is thought to have made profits comparable to those of last year and it is hoped that cash flow from here can be used for repayment of a guilder loan now worth some £2m. Apart from that loan, the group has moved into a strong cash position and *with this backing the shares look* suitably priced at 14½p, where the yield is 7.2 per cent. covered 4.7 times and the p/e 4.5.

Samuel Properties profit

REFLECTING the successful *implementation of the Board's* policies, Samuel Properties has achieved a turnround from a loss of £475,962 to a profit of £196,362 in the six months ended December 31, 1975. Again, there is no tax charge.

After reporting a loss of £1.05m. (£877,000 profit) for the year ended June 30, 1975, the directors said the policy of reducing short-*term borrowings and increasing* income from reversions on the existing portfolio, and from completion of current developments, would lay the foundations for future expansion and progress in the medium term.

Gross income for the half year improved from £2.54m. to £3.78m. No interim dividend is recommended—the last payments *totalled 1.005p net in 1973-74* and included a 0.8375p interim.

	Six months 1975 £	1974 £
Gross income	3,773,772	2,844,420
Interest	1,444,181	1,735,959
Profit	196,362	*475,962
From capital profits†	113,280	186,391
Minorities	2,150	2,124
Extraordinary credits	500,332	1,548,834
To capital surplus	620,556	1,828,058
Profit balance	189,108	*368,899

* Loss. † Transfer from unrealised capital profits of amount equal to interest and ground rents on development properties.

Statement Page 27

ICI NZ £3.1m. buy from Dalgety

Dalgety New Zealand, a 67.1 per cent. owned subsidiary of Dalgety, has sold its wholly owned *subsidiary,* Tasman Vaccine Laboratory, manufacturers of animal vaccine, pharmaceuticals, veterinary and human health products, to ICI New Zealand for £3.1m., or net asset value.

The chairman of Dalgety NZ, Mr. L. M. Papps, said "continuing expansion of export trading, especially into new markets, plus the need for a constantly broadening programme of research and development made it clear that an expanding future for TVL lay within the international pharmaceutical field rather than within the Dalgety Group."

Tasman Vaccine lost money in 1974-75, affected by unfavourable livestock conditions in New Zealand, Australia and the U.K., but in recent months there had been a significant recovery in sales as farming fortunes improved.

Some two-thirds of TVL's production is now sold through marketing subsidiaries in Australia and the U.K., and Dalgety New Zealand will continue to offer its clients the full range of TVL and ICI products.

Sale Tilney progress

At the annual meeting of Sale Tilney and Co., the chairman, Mr. Tom King recalled his earlier statement that present indications showed that profit for the group in 1976 would clearly be in excess of that for 1975, and said the further encouraging results to date "give me no reason to depart from that forecast."

Freddie Mansfield

Mr. Edgar Bowring, chairman of C. T. Bowring, which published its annual report yesterday.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Bodycote	0.32	—	0.27	0.67	0.62
BPM Holdings	1.75(b)	May 26	1.75	—	10.25
Burrell & Co.	0.41	June 6	0.41	0.6	0.8
Clarke Chapman	3.03	July 2	2.67	4.34	4.07
Drayton Consolidated int.	1.23	May 28	1.23	—	3.75
Dualvest	1.78	May 31	1.94	3.73	3.79
Elbar	4.83	July 1	4.49	6.33	4.49(e)
Foseco Minsep	2.18	July 7	2.03	3.72	3.42
Gill & Duffus	2.93†	July 1	1.53	5.2	3.5
Helene of London	0.57	—	0.5	0.57	0.5
Highgate Optical	1.53	—	1.37	2.04	1.85
Jessel Toynbee	3.28	June 3	3.13	4.16	4
London Tin ..... 2nd int.	6.07	June 9	5.6	7.47	7
Lyon & Lyon	1.18	July 1	1.02	2.06	1.89
Minty	1.44	July 2	—	3.44	1.0
Sanderson Kayser	2.36	July 1	2.36	3.58	3.58
Laurence Scott ...2nd int.	2	July 1	—	—(a)	2.5
Sheffield Twist Drill	3.06(d)	—	—	3.06	3.06
Shiloh Spinners	0.89	June 17	0.89	1.64	1.64
Simonside Investment	Nil	—	1.3	0.7(c)	1.3
Wm. Sindall	3.38	July 7	3.38	3.06	3.38
Telephone Rentals	3.5	July 2	3.13	4.75	4.38
Viking Resources Trust	0.73	July 1	0.55	0.73	0.55

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Making 2.7p to date for 15 months to March 31. *Final of 0.7p forecast.* (b) Per cent. *(c) For 15 months. (d) Interim in lieu of final. (g) For 9 months.*

Helene of London peak

AFTER providing for a £149,160 loss from the Mark Russell Group *subsidiary (subsequently sold)* profits before tax of Helene of London amounted to a record £584,191 in 1975 compared with £579,809 previously. Turnover increased from £8.22m. to £9.72m.

Profits for the first six months had risen from £208,546 to £220,327.

Stated earnings per 10p share for the year are unchanged at 2.4p and the net dividend is a maximum permitted 0.567p compared with 0.504p previously.

The directors say sales so far this year show a satisfactory *increase over 1975 and they look* forward with confidence to another record year.

Principal activities of the group are the manufacture and retailing of fashion and leisure wear.

● **comment**

Adding back the exceptional £150,000 loss, Helene of London has come through with an improvement at the pre-tax level of a quarter. The sales pattern remains promising, with a 15 per cent. interim advance followed by 21 per cent. in the second half which covers the busy autumn period. The company's profits growth underlines the relative strength enjoyed by those offering teenage fashions, where even in times of recession buying patterns remain fairly unchanged. However, profits have been undermined by the exceptional losses incurred by Mark Russell, relating as they do to certain payments made by that subsidiary to a supplier HGM (a one-time associate of Russell) which has since gone into liquidation and is unable to repay. The company has now *sold* Russell and this year expects further growth. Meantime, if one adds back the exceptional loss, the p/e is only 2½ at 9p and the yield is 10.3 per cent.

Elbar earns £0.6m. and pays 6.3p

Taxable profit of Elbar Industrial was £0.6m. for 1975, compared with £0.45m. for the nine months ended December 31, 1974. Turnover amounted to £11.02m., against £8.6m.

Stated earnings per 50p share are 17.39p, against 9.89p—dividend total is 6.3345p net, compared with 4.4897p, *with a final of 4.8345p* and is the maximum allowed.

The company's activities are in motor vehicles, agricultural machinery, light engineering and finance.

	Year 1975 £	9 months 1974 £
Turnover	11,027,289	8,601,502
Operating profit	546,979	420,248
Investment income	119,648	115,366
From provision*	33,399	23,941
Interest	121,397	86,786
Profit before tax	596,340	446,905
Tax	276,738	268,221
Net profit	319,392	178,685
Extra-ord. credit	18,377	◆7,246
Interim dividend	27,563	—
Final	88,208	[illegible]
To reserves	221,396	80,979

* Against dealing investments. † To provision. ◆ Debit.

Blackwood Hodge sees increase

IN HIS annual statement, the chairman of Blackwood Hodge, Mr. W. A. Shapland, says that group budgets for the current year forecast a reasonable increase in group turnover and pre-tax profits as compared with the preceding year.

Results achieved in the first two months of 1976 are in line with budgets for that period.

It must be accepted that world economic trends in the immediate future are uncertain and the political situation in some parts of the world increases the difficulty of predicting the course of trading in many of the territories in which the Group operates, he points out.

The directors are confident that subject to no serious political crises arising the future will provide all the conditions in which prosperous growth can continue.

Following a period of expansion the short term objective is to improve market penetration and profitability in the territories of operation.

Market surveys indicate "very substantial" growth potential in these countries, says the chairman.

In the absence of unforeseen circumstances the directors intend to recommend dividends for 1976 equivalent to 8p gross per share on the share capital as increased by the rights issue. This represents an increase of 30 per cent. over 1975 and has been approved by the Treasury.

As reported on April 13, sales expanded from £14[illegible] to £188.09m. in 1975 and profits rose from £9.46m. [illegible] £11.86m. The dividend [illegible] 2.9979p (2.8p) net.

A geographical analysis o[illegible] and trading profi[illegible] (£14.42m.), shows: U.K. [illegible] (£29.31m.) and £4.5m. (£[illegible] Europe £33.45m. (£28.04m. [illegible] £1.24m. (£1.53m.), Africa [illegible] (£27.9m.) and £6.27m. (£[illegible] Australia £21.44m. (£19.93m. [illegible] £1.06m. (£1m.), Asia (£3.14m.) and £0.24m. (£[illegible] and North America [illegible] (£38.1m.) and £5.28m. (£4.9[illegible]

Inflation-adjusted accoun[illegible] earnings per share at (19.4p) on a CPP basis co[illegible] with 18.24p (14.89p) histori[illegible] net assets of 188p (171p) [illegible] 147p (119p).

Mr. Chapland tells memb[illegible] the increase in grou[illegible] indicates a rate of growth than that resulting from flation arising in the mar[illegible] tories of operation.

The pre-tax profit ma[illegible] sales was 6.3 per cent., c[illegible] with 5.8 per cent. Rea[illegible] broadly in line with exp[illegible] and under the condition[illegible] existed "must be rega[illegible] very good."

The annual report for [illegible] been expanded to includ[illegible] siderable quantity of inf[illegible] not previously supplied. [illegible] Dorchester Hotel, W., on [illegible] at 12.30 p.m.

See Lex

Clarke Chapman turns in £7.52m.

THE UNQUANTIFIED second-half profit increase forecast by Clarke Chapman turns out to be from £3.51m. to £3.95m., giving a pre-tax total up from £6.7m. to £7.52m. for the year 1975. Turnover expanded from £134m. to £182m.

Stated earnings per 25p share advanced from 11.47p to 13.17p basic and from 11.12p to 12.75p fully diluted. A final dividend of 3.0341p raises the net total from 4.0728p to 4.4341p—the maximum permitted.

	1975 £000	1974 £000
Turnover	182,008	134,008
Profit	7,528	6,702
Taxation	3,224	3,334
Minorities	168	128
Net available	4,108	3,386
Preference dividend	21	21
Ordinary	1,372	1,258
Retained	2,736	2,091

The company is engaged in mechanical and electrical engineering.

● **comment**

Clarke Chapman is 11 per cent. ahead pre-tax, roughly in line with the interim profits growth. Close on two-fifths of turnover now arises outside the U.K. but the currency bonus has been minimal following the Rand devaluation. Thus CC has kept *the underlying trend of earnings* moving upwards despite a still very weak market for power plant. Group orders ended the year at about £200m., or a tenth down (and much more in volume terms) on a year earlier. But the intake this year is beginning to produce a healthier trend. At 76p the shares yield 9.1 per cent., covered close on three times; and 1975 has *further strengthened* the group balance sheet.

Net asset value per share is shown to [illegible] against 145½p.

Dualvest revenue £0.54m.

REVENUE up from £508,088 to £543,262, subject to £207,632 (£167,209) tax, is announced by Dualvest for the year ended March 31, 1976.

In November the directors said the net outcome would "not be materially different."

Net dividend total on 50p Income share is 3.729p, compared with 3.787p, with a final of 1.758p.

ISSUE NEWS

Cannock re-quote

The Stock Exch[illegible] approved the appli[illegible] Cannock for the requo[illegible] issued capital to the [illegible] Irish. Dealings wil[illegible] morrow.

The listing for th[illegible] *which is an Irish depa*[illegible] group, with an issue[illegible] 4m. Ordinary 5p [illegible] suspended in March, [illegible] series of acquisitions [illegible] in changes in the offe[illegible] of Cannock and in t[illegible] its business.

BELLWAY H[illegible]

Bellway Holdings a[illegible] in the six-week conv[illegible] ended April 15 hold[illegible] Ordinary shares elect[illegible] their holdings into C[illegible] and holders of 27[illegible] shares elected to [illegible] holdings into Ordi[illegible] The share capital no[illegible] 20,533,953 Ordinary [illegible] 4,691,411 Capital sha[illegible]

RIGHTS RES[illegible]

Rolls-Royce's rig[illegible] £4.18m. on the basis [illegible] at 45p have been ta[illegible] 94.25 per cent. Th[illegible] been sold for the be[illegible] holders who did not [illegible] entitlement.

Trust Houses For[illegible] raise £14.1m. on the [illegible] *for-five at 87½p* ea[illegible] taken up as to app[illegible] per cent. The bala[illegible] sold and the net pr[illegible] *distributed to entit*[illegible]

ɔrwich Union ʋestment licy

ɔM supporting rights life fund of the ion Insurance Group ease its equity port-, states Mr. Desmond s presidential report tivity in the Ordinary et was confined to isting holdings.
invested £50m. in gilt- n property and £16m. rchase loans, mainly building society ad- investment managers age of the exception- urns available to con- fixed-interest stocks ered the return on fficient with the re- gap standing at his- h levels.
income on the life sed by 19 per cent. d investment income ent. to £92m. Claims ses rose by nearly 4m., so the value of s increased last year o £948m.
any valued its liabili- same basis as in 1974 sed the investment to £248m., the arising from the t in the market value particularly equities. bonus rates were bstantially.
Union Fire, a wholly diary of the Norwich had a record pre-tax 6.3m. last year com- £8m. in 1974. Mr. s an urgent plea to nent to review the s of general insurers could maintain the everses in order to adequate solvency d expand the asset
that without this profit levels that can nl retained in times tion are likely to be the insuring public eholders as unaccept-
ing division on the n consists of Norwich st and the recently- Anglo - Portuguese sed pre-tax profits to red with £3.1m. in
ort that the demand luring 1975 was rela- , although the Trust loans and advances m. to the smaller
npanies have main- gh level of liquidity ys Mr. Longe, well xpand when circum- warrant.
ement Page 27

Invest.

ctors of Jove Invest- see their prime task ecovery of the capital utable to the Income s the chairman, Mr. ence.
ng of the fund had to during the crisis 15 , when net assets fell r cent. of outstanding If the rate of inflation the extent that will turn to normality for s, then net assets will "very sharply," Mr. lds.
ontague (MBFC) has at the arrangements loan finance has been r the last two years inated from May 31. rs have agreed in arrangements with tinational Bank who finance from June 1. Baring Brothers will kers to the company .
group revenue, before ed from £404,847 to £261,760 in the year to February 29, 1976 and the dividend is 3.25p (3.635p) net.

The equity content of the portfolio increased to 29 per cent., partly through the rise in Ordinary share prices outstripping the recovery in fixed interest securities, but partly also a result of the policy of steadily increasing the proportion of the fund invested in equities, commensurate with the intention to hold the dividend at or above the current level, says the chairman.

Meeting, 44 Bloomsbury Square, W.C., May 19 at 12.15 p.m.

Jessel Toynbee £0.8m.

DISCOUNT house Jessel Toynbee and Company reports a net profit of £804,521 for the year to April 5, 1976, compared with the previous year's high figure of £1,030,081, struck after providing for rebate, elimination of premiums on securities, tax and all expenses, and after transfer to reserve for contingencies.

Members were told a year ago that it was unlikely conditions would allow a repetition of the 1974-75 results, but that the directors hoped they would be able at least to preserve the company's then present strength.

They now report that £500,000 is again being transferred to inner reserves. Also, a similar amount has been added to these reserves before striking the profit, and they now stand at a record level.

A final dividend of 3.28125p lifts the year's net total from 4p to 4.15625p per 25p Ordinary. This is equal to a maximum permitted gross 25.58 per cent. against 24.45 per cent.

	Year 1975-76 £	1974-75 £
Net profit	804,521	1,030,081
To inner reserves	500,000	500,000
Interim Ordinary	72,953	56,976
Final Proposed	276,959	263,799
Forward	466,311	472,642

See Lex

Jardine Japan policy

In his annual statement, the chairman of Jardine Japan Investment Trust, Sir Michael Harries, tells members that the company is now virtually fully invested in a wide range of companies with good prospects for earnings growth.

This policy is likely to continue for the time being although any signs of excess demand and renewed price inflation could bring about a reassessment. Equally, severe political problems either in Japan or overseas could lead the Board to take a more cautious view.

In the longer-term, there is no reason to change the consistent view that investment in Japan will be rewarding to shareholders, adds Sir Michael.

As reported on April 6, net revenue for 1975, after tax reduced by an over-provision of £25,596 in previous years, amounted to £74,712 against £84,816. The chairman points out that 1974 was an exceptional year due to the high interest received from substantial liquidity. In 1975 this position was reversed as fuller investment proceeded.

Meeting, 3, Lombard Street, EC, on May 18 at noon.

House of Fraser plans continued expansion

IN HIS ANNUAL statement, the chairman of House of Fraser, Sir Hugh Fraser, says that, although 1976-77 opened slowly, the group is "well placed to meet conditions good or bad, and to turn them to the best profit that can be found."

As a matter of policy the Board continues to plan a greater density of stores throughout the U.K.—three stores have opened in Scotland this year. Outstanding group capital commitments are estimated at £4.1m. (£3.85m.) and an additional £12.41m. (£9.42m.) has been authorised but not contracted for.

As reported on April 1, turnover excluding VAT rose by £70m. to £366.5m. in the 53 weeks to January 31, 1976, and pre-tax profits advanced from £19.59m. to £20.8m. The dividend total is the maximum permitted 3.87994p (3.63575p) net per 25p share from stated earnings up from 7.46p to 8.36p.

Sir Hugh points out that the total number of staff, including those of companies acquired, is 3.6 per cent. less than two years ago while sales are 53 per cent. more. The remuneration of the reduced staff has risen by 54 per cent. in the same period, however.

As at March 31 CHH Holdings of Los Angeles held 20.54 per cent. of the equity. Meeting, Glasgow on July 1 at noon.

BCA halting sales fall

At the meeting of BCA, producers and suppliers of aggregates, chairman Mr. T. R. Chesterfield, said that at the time of writing his annual statement sales volume was some 12 per cent. down, but since then the position had improved, and the group was currently about 4.5 per cent. below the comparable figures for 1975.

Deliveries in April had been running ahead of the same month last year, but it was still expected there would be some down-turn in total volume of trading during 1976, he said.

Work continued on expansion of production capacity at Huntington plant, and this would replace that at Hednesford, now closed. It was expected completion should be by mid-summer.

Laurence Scott recovers

As forecast last October, completion of the bulk of unprofitable work during the first half of 1975 has resulted in a second half profit recovery for Laurence Scott, and pre-tax profits for the year emerge as £1.06m. against £52,547 after a loss of £79,000 against £111,000 in the first six months.

Stated earnings per 25p share are 6.93p. The directors are recommending a second interim dividend of 2p net making 2.7p to date for the period of 15 months ending March 31. The rate of completions has continued at a high level into 1976 and because the profit level will be maintained, a final of 0.7p net is expected. The total dividend in 1974 was 2.5p.

Turnover for the 12 months was up by about one-third from £17.56m. to £23.36m., with only perhaps half of this due to inflation, the directors explain.

The level of short term borrowings has been high, but was substantially reduced by March 31.

For the year 1976-77, some works are well loaded, but others reflect a tendency for major projects to be deferred. The group makes electrical machinery and control gear.

British Northrop £0.42m.

IN LINE with the forecast of not less than £400,000, pre-tax profit of British Northrop is £421,001 for 1975, compared with a loss of £226,834 for the previous year. Turnover advanced from £2,257,998 to £3,349,801 of which 78 per cent. was exported.

The order books are full for the next 12 months and the directors anticipate that profit for 1976 will be appreciably higher, and resumption of dividend payment is expected.

No tax charge arises because of relief available from former losses. Estimated tax losses still available against future profits amount to £1.5m.

The profit is struck after interest charges of £113,018 (£145,320).

The company manufactures automatic looms and accessories, toys and games.

BRIT. AUSTRALIAN

British Australian Investment Trust, a company managed by Drayton Montagu Portfolio Management, has changed its name to Drayton Far Eastern Trust with effect from April 26.

Gill & Duffus meets £7.44m. forecast

IN LINE with forecast pre-tax profit of international commodity brokers, etc., Gill and Duffus, increased from £6.25m. to £7.44m. in 1975. Turnover decreased from £376.09m. to £321.63m.

The final dividend, on capital increased by the March rights issue, is the foreshadowed 2.925p making a net total of 5.2p against 3.4986p. Stated earnings per 25p share advanced from 13.91p to 16.4p.

	1975 £	1974 £
Group turnover	321,627,000	376,093,000
Profit before tax	7,442,812	6,258,297
Taxation*	3,404,456	2,633,154
Minorities	119,951	93,425
Attributable	3,918,375	3,323,720
Preference div.	8,520	8,520
Ordinary divs.	1,378,800	791,135
Retained	2,530,755	2,523,753
Capital and res.	18,564,005	15,721,931

* Includes overseas taxes £1,215,203 (£582,879).

See Lex

Good start by Gaskell (Bacup)

Earnings for the current year at Gaskell and Co. (Bacup) show "a considerable increase" so far, but the chairman Mr. Douglas Gaskell finds forecasting "almost impossible."

As reported on April 9, external turnover for 1975 rose from £4.59m. to £5.15m. while pre-tax profits were little changed at £294,677 against £299,391. The dividend total is 5.053p (4.658p) net per 20p share from earnings of 11.8p (11.6p).

Mr. Gaskell says that if inflation accounting on the current cost basis had been used, it is estimated that additional earnings of £425,000 would have been required to maintain the pre-tax figure shown. An increase in selling prices of 8 per cent. would have been needed throughout the year, he adds.

Meeting, Blackburn on May 20 at noon.

Drayton Trust up midway

FOR the half year ended March 31, 1976, revenue of Drayton Consolidated Trust rose from £961,600 to £1,002,000 before tax of £409,500 against £400,400. In the year ended September 30, 1975, pre-tax revenue totalled £2.37m.

The net interim dividend is an unchanged 1.225p per 25p share—the previous total was 3.75p.

	Six months 1975-76 £	1974-75 £
Gross income	1,415,100	1,364,200
Management expenses	87,400	93,200
Loan capital int.	234,500	234,500
Dollar loan int.	91,100	74,900
Revenue before tax	1,002,000	961,600
Tax	409,500	400,400
Net revenue	592,500	561,200
Pref. dividends	34,224	34,224
Available Ord.	558,276	526,976
Interim dividend	371,535	371,535

Value of investments and net current assets at March 31 was £67.4m. (£60.3m. at September 30, 1975) and net asset value per Ordinary share, 176p (155½p).

Net asset value has been calculated on the basis that the Convertible Loans are converted into Ordinary on respective first conversion dates. Debenture and Preference stocks have been deducted at nominal values and no provision has been made for the surrender of currency premium.

Expansion seen for Grampian

THE CURRENT year at Grampian Holdings will see further progress, according to chairman Mr. David Greig in his annual statement.

Though the U.K. economy still has its problems he hopes that at least some upturn is likely and the Grampian group is "well set to benefit."

The main associate, Grampian Land (20 per cent. owned), is now achieving "encouraging profitability" and has made an initial contribution to group results.

The directors recognise an increasing imbalance between the interim and final dividends and in 1976 they intend to increase the interim payment to redress this.

As known, dividend total for 1975 is 3.575p net (including a 0.7p interim) compared with 3.35p the previous year. Pre-tax profit improved from £2.41m. to £2.77m. and earnings per 25p share were stated at 12.08p (10.07p).

On a CPP basis pre-tax profit is shown at £1.02m. (£2.14m.) and earnings per share 0.72p (4.76p). Historic pre-tax profit as a percentage of total equity interest was 33.74 (31.79) but adjusted for inflation is 14.83 (18.55).

Emoluments of the highest paid director increased from £50,500 to £62,600. Meeting, Glasgow, May 21, noon.

Chairman's statement Page 24

BIDS AND DEALS

Artagen rejects Sun Life bid

THE BOARD of Artagen Properties is flatly rejecting the 73p a share cash bid announced by Sun Life Assurance Society. Part of the defence will be a raised dividend.

Talks between the two sides are, however, continuing and Sun Life still hopes to settle on agreed terms. Artagen shares closed yesterday at 77p, up 2p.

At Artagen's annual meeting yesterday Mr. David E. Webb, chairman, said Sun Life was trying to "avoid the burden" of a financing agreement "entered into freely by both sides." In 1973 Sun Life agreed to provide £40m. of 25-year money to Artagen, £18½m. of which has been drawn down.

The Sun Life bid, said Mr. Webb, took no account of the value to Artagen of this agreement, at rates rising from 7¾ to 9¾ per cent. Financing on such terms was "just not available to-day from any source."

Nor did the bid reflect the "material improvement in the real estate investment market this year." However Mr. Webb made no reference to a revaluation as part of the bid defence.

Artagen's portfolio was valued, for the present accounts, at December 31, 1975, producing a total of £64.3m., or net assets of 78½p per share.

Mr. Webb did not say by how much Artagen, freed from dividend restraint once the bid had been made, would increase its payment to shareholders. But a statement would be made in due course.

The majority of shareholders at the meeting appeared to support the Board's hopes for continued independence. But there was criticism from two holders of increases from £5,623 to £7,500 in the chairman's salary, and from £25,623 to £32,000 in that of Mr. John S. Brown, vice-chairman and managing director.

See Lex

Record Ridgeway acquisition

Negotiations for the acquisition of Platts Forgings by Record Ridgeway have been successfully completed.

The purchase price of £350,000 has been satisfied by the issue of 612,248 shares. RR's brokers have arranged to place 485,580 of these and the balance will be retained by the vendors. The new shares will be entitled to the interim dividend.

Net asset value, based on the audited accounts of Platts, but adjusted to reflect a professional valuation of land and buildings and a directors valuation of plant and machinery, amounted to £385,000 at February 29. Audited profit before tax for the year to June 30, 1975 was £45,000 and £6,000 for the eight months to February 29.

The acquisition, says the chairman of Record Ridgeway, is not expected to make a significant contribution to group profits this year, due to the time required to make new dies for the forgings which Platts will produce for the group. A "worthwhile" addition is anticipated for the future, however.

Trafalgar bids £3.3m. for Clark & Fenn

Trafalgar House Investments is making a £3.3m. bid for Clark and Fenn (Holdings), having acquired options on 26.6 per cent. of the shares under agreements with members of the family of the late Mr. Victor Hosp, former chairman of Clark.

The consideration payable on the option shareholding would be 977,948 of Trafalgar's Ordinary shares (valued at £890,000), equivalent to two for every three Clark. At the current market price of 91p for Trafalgar, this places a value of just over 60p on Clark shares.

Trafalgar intends to make an offer, to which the above shares in Clark would be irrevocably committed, on a similar basis for all the capital.

MERU-WAITE TALKS OFF

Discussions which could have led to a cash offer of £2.6m. or 80p a share being made for Waite and Son by Meru Group, a small investment holding company capitalised at £305,000, have been terminated and it is not expected that any offer will now be made.

The deal fell through, according to a spokesman for Meru, because of a failure to reach agreement with the major shareholder in Waite, New Provident Securities, which holds 47 per cent. of Waite shares fell 6p to 77p yesterday.

MINING NEWS

Lornex copper earnings striding forward

BY KENNETH MARSTON, MINING EDITOR

THE DRAMATIC impact of a recovering copper price together with an increase in production on fortunes of a previously hard-pressed mine is underlined in the March quarter results of the Rio Tinto-Zinc group's Canadian Lornex operation in British Columbia.

During the past quarter, when the London Metal Exchange copper price averaged £627 per tonne, net earnings have expanded to $2.3m. (£1.28m.), or 28 cents per share, compared with only $113,000 in the first three months of 1975 when the metal price averaged £532: total earnings for last year amounted to $626,000. During the past quarter Lornex milled 43,322 tons of ore a day compared with 37,165 tons last year, although the metal grades were slightly lower in the latest period.

At the Vancouver meeting the Lornex president, Mr. Robert D. Armstrong, said that at the record daily milling rate of 45,000 tons achieved during the buoyant market conditions of 1974, the copper-molybdenum mine could continue to operate beyond the year 2000.

He pointed out that to bring a Lornex-type mine to production these days would require an "assured copper price of not less than 90 cents per payable pound in 1976 currency." This is equivalent to around £1,100 a tonne compared with yesterday's cash price of £868 a tonne on the London Metal Exchange.

Mr. Armstrong made reference to the hazards "that had come about for the industry owing to Government interference—such as the failure of provincial and federal governments to reconcile their differneces on entitlement to taxes from natural resource operations—but regarded as constructive the latest provision of a resource allowance in Canada's June 1975 budget and British Columbia's announced intention to replace the mineral royalty with a tax on profit.

Palabora

In South Africa, Mr. Alistair Macmillan, chairman of the RTZ group's Palabora copper mine there was at pains to point out that as the South African rand is linked to the U.S. dollar, the increase in Palabora's revenue will be at a lower rate than the rise in London Metal Exchange sterling prices.

But he also mentioned signs of consumer re-stocking of copper and the recent price increases by the major U.S. producers. His cautious optimism is reflected by the declaration of an unchanged dividend of 12½ cents (9.86p) for the first quarter of this year. The 1975 total was 50 cents compared with 120 cents for 1974. Palabora shares fell 20p to 880p yesterday.

SELCO DRILLING NEAR SOUTH BAY

Canada's Selco Mining, in which London's Selection Trust has a 94 per cent. interest, announces a drilling result from exploration around its South Bay Mine in north-western Ontario. A recent borehole has given values of 1.2 per cent. copper, 13.3 per cent. zinc and 2.28 ounces of silver a ton over a core length of 11.5 feet from 225.8 to 237.3 feet, or 1.1 per cent. copper, 8.1 per cent. zinc and 2.27 ounces of silver a ton over 19.2 feet from 225.8 feet to 245 feet.

Protective staking has been carried out and drilling has now been re-started. The company points out that it is not normal policy to announce the results of one drill hole since these do not enable any meaningful conclusions to be drawn, but it has done so on this occasion owing to rumours currently circulating. Selection Trust were 30 lower at 525p yesterday.

LONDON TIN PAYS MORE

An increased second and final, interim of 6.07p net is declared for the year to March 31 last by London Tin Corporation. It makes a total for the year of 7.47p, the maximum permitted increase over the 1974-75 total of 7p.

Despite a modest increase in the first half, estimated net profits for the past year amount to £2.12m. compared with £2.18m. in the previous 12 months. The shares hardened 2p to 187p yesterday.

ROUND-UP

An Australian Government geologist, Mr. Stewart Needham, reckons that the country's uranium reserves in the Northern Territory are among the largest in the world and will be worth $16bn. (£10.8bn.) for delivery in the early 1980s. The size of the deposits could make Australia a future energy supplier on the scale of the Middle East oil producers, he added.

* * *

South Africa's gold holdings were unaltered at R377.3m. in the week ended April 23 according to figures released by the Republic's Reserve Bank. This indicates that all the country's newly mined output of around 14 tonnes was sold on the free market during the period.

* * *

The Rhodesian gold producing Falcon Mines reports a March quarter profit of Rh$311,777 (£295,000) compared with $344,794 in the previous three months and a total of $1.7m. for the year to last September.

MINING BRIEFS

UNITED TIN AREAS OF NIGERIA—March production of concentrates (73 per cent. grade) 3½ tonnes. Twelve months to date: 35½ tonnes. Same period 1974-75: 71 tonnes.

GOLD AND BASE METAL MINES OF NIGERIA—March: output of concentrates (73 per cent. grade) figures in tonnes: Tin 30, columbite 1. Three months ended to date: Tin 90, columbite 2. Same period 1975: Tin 95 tonnes, columbite nil.

CLYDESDALE (TRANSVAAL) COLLIERYS—March quarter: Tonnes sold 1,184,000 (December quarter: 1,125,000). Profits from mining and allied activities R675,000 (R659,000). Taxation R224,000 (R228,000). Capital expenditure R338,000 (R19,000).

LONDON TIN—Amalgamated Tin of Nigeria, March output of columbite (four weeks), 13 tonnes (February 9 tonnes).

WESTERN MINING—Four weeks to April 6: Central Norseman Gold treated 11,217 tonnes for 8,025 ounces. Kalgoorlie Mining Associates (formerly Kalgoorlie Lake View) treated 45,541 tonnes for 9,613 ounces.

WESTERN TITANIUM—Quarter ended March 29 (tonnes): Mine: Ilmenite 45,333 (67,376); Zircon 4,777 (6,241); other minerals 947 (1,796). Beneficiation plant Beneficiated Ilmenite 8,567 (8,377). Expenditure on exploration during the period amounted to approximately A$32,506 (A$9,000).

BROXLEA

In a letter to shareholders, Broxlea Holdings refers to the rival cash bid of 30p from Rectifier Modules, and advises holders that, if they have not already accepted the A. F. Bulgin offer, they should await the formal documents from Remo before taking further action.

Meanwhile Bulgin announces that acceptances received in respect of its offer amounted to 48.06 per cent. at noon Tuesday.

SHARE STAKES

Alliance Investment has received notification that Investment Trust Units, a unit trust managed by Save and Prosper Securities, has acquired a further 27,000 shares bringing its total holding to 581,100 (10.4 per cent.).

As a result of the compulsory conversion of the balance of convertible debenture stock of Estates House Investment Trust, the percentage holding of Slater Walker Securities and its subsidiaries, investment trusts, etc. is altered to 3,925,573 Ordinary shares (19.66 per cent.). This is not a disclosure under the Companies Act. The capital of Estates House is now 19.96m. shares.

Randfontein hurries back to uranium

AN EARLIER than expected resumption of uranium production is planned by Randfontein which is to spend R3.6m. (£2.3m.) on re-commissioning its uranium plant to treat output from the new Cooke mine.

Furthermore, encouraging results have been obtained from studies of the feasibility of re-opening the old Randfontein mine for early mining of uranium from the Bird reefs.

In his annual statement the chairman, Mr. B. A. Smith, points out that early production of the nuclear material will be particularly helpful in view of the heavy capital spending involved in the proposed $130m. (£83.8m.) gold-uranium expansion programme.

As already announced, this will be spread over 1976 to 1979 and will provide a monthly milling capacity of 250,000 tons; at present Cooke is milling rather more than 75,000 tons a month.

Mr. Smith points out that a go-ahead for the big expansion programme depends on suitable loan financing and firm uranium contracts being obtained. He adds that negotiations on this score are now under way and mentions that the current market price for spot sales of uranium oxide is about $30 per pound.

In all, this is an encouraging statement which should strengthen shareholders' patience pending the return to dividends, which awaits finalisation of the expansion plans. The shares were £14¼ yesterday.

SAMUEL [PR]OPERTIES LIMITED
[INTERI]M STATEMENT

ANY NEWS

amberlain looks for her growth

of the Chamber- L. F. Chamber- hat the group's a sound and m which it can ture. mind and in the e strong financial constantly search- of growth both ing activities and s members. ovisions in the on, the group produced record As reported on ax profits were £925,818 compared with £905,564 previously and the dividend is 1.70855p net (1.563p).

An analysis of turnover—£19.07m. (£18.82m.)—and profit shows structural engineering contributed £11.58m. (£12.29m.) and £175,419 (£114,309 loss); hydraulic engineering, £6m. (£4.84m.) and £883,076 profit (£683,963) and property development, £1.49m. (£1.69m.) and £132,677 loss (£335,910 profit).

Referring to the property division results, Mr. Chamberlain says increased costs and delays on one housing development made it necessary to make a provision of £200,000 against profits at the half-year stage.

The undeveloped land on that development has now been sold leaving only a small number of houses to be completed and sold. However, it has been necessary to make a final provision of £240,000.

It is not anticipated that any provisions will be required to be made against any development in 1976. The chairman does not anticipate the division will in future make a major contribution to group profits, however he expects a small profit from operations on a limited scale.

Meeting, The Dorchester, W, May 20 at noon.

Unicorn Indust. prospects

AT PRESENT any improvement in order levels of Unicorn Industries is still very patchy, and there is no indication of a general resurgence of demand, says the chairman, Mr. B. G. Ball-Greene.

However, three important steps have been taken during the past 18 months.

Numbers employed in the U.K. *have been reduced by 15 per cent.*, and it is planned to meet increased demand without significant change; three major capital projects are nearing completion, in the U.K., Holland and France; and a major acquisition has been made in North America.

These factors should bring improved profits independently of economic activity, and any real growth in the markets served can quickly bring additional benefit.

But present indications are that this growth may not be reflected in profits until 1977, says the chairman.

The U.S. grinding wheel activity has been extended by the acquisition last December of the Simonds Abrasive Company, and rationalisation is already beginning to make a "useful" addition to overseas earnings.

As reported on April 13, group *pre-tax profit decreased from* £3.72m. to £2.89m. in 1975 and the dividend is 4.418p (4.14p) net. External turnover expanded from £35.32m. to £42.83m.—the value of exports from the U.K. was £10.25m. (£10.67m.).

Mr. Ball-Greene points out that 39 per cent. of sales were to overseas customers and says this figure will increase further in 1976 when sales of the recently-acquired American company are included.

Net short term borrowing decreased by £3.69m. (increase £3.24m.).

Arbour Court compensation

The amount of compensation payable by the Sri Lankan Government for the nationalisation of the three estates of the wholly-owned subsidiary of Arbour Court Investments trading in that country, has been agreed in rupees but is exchangeable into sterling at the fixed rate of Rs.15.60 to the £1 and, on this basis, totals £117,937.

This will be remittable in ten equal half-yearly instalments commencing in 1977 and will not be subject to the imposition of Foreign Exchange Entitlement Certificates. Interest will be paid *at 4 per cent. per annum but this* will be subject to local tax.

Recovery to peak level for Minty

Profit of furniture manufacturers Minty showed a substantial improvement from £11,014 to a record £182,478 for the year to January 31, 1976 subject to tax of £98,367, compared with £5,990. The previous best result was £138,579 in 1972-73.

In the first half of 1975-76 there was a turnround from a loss of £37,726 to a profit of £30,659 and in October last year the directors reported continuation of recovery *in the second half and said they* were optimistic a higher rate of profits would be maintained for the remainder of the year.

The final dividend per 25p share is 1.44p net, giving a maximum permitted 3.44p against 1p.

Delta-Lloyd

Net profits of Delta-Lloyd Verzekeringsgroep NV in the first quarter of 1976 were Fls.7.5m. against Fls.8m. in the same 1975 quarter.

Sales increased to Fls.420m. from *Fls.369m.* The group is part of the Commercial Union.

Bemrose plans further capital spending

THE DIRECTORS of Bemrose Corporation, the printing, packing and publishing group, intend to continue increasing capital investments in 1976, giving priority to those areas of strategic market growth where they see a capability of further improving the return in future years, the chairman Sir Max Bemrose says in his annual review.

Last year Bemrose completed its capital expenditure on the new security factory in Derby and embarked on a group-wide investment programme. More than £1m. was spent on capital projects, principally in the second half of 1975.

Cash control coupled with increasing profitability in the transfer print and printing divisions produced a cash inflow of £1.79m. in 1975, part of which has been used to reduce short-time indebtedness. The balance has been placed on deposit—the net liquidity position "is now very sound."

The chairman therefore does not foresee any difficulty in financing the increase in working capital resulting from an upturn in the economy. But the group will continue to retain the security of its medium-term borrowing *facilities* against this need and to enable it to finance the plant modernisation programme.

Despite the economic problems during 1975, turnover, as known increased by 22 per cent. to £27.22m. and pre-tax profit was £2.07m., up 26 per cent.—both *were records. Exports continued* to expand, and at £4.96m. represented 18 per cent. of total turnover. Dividends total 2.4505p net (2.2981p).

Sir Max says performance was attributable to no small extent to the improved profitability of the printing and transfer print divisions, and to the increasing emphasis on exports. So far as 1976 is concerned, "we see no *reason why these trends should* not continue and are therefore looking for progressive improvement from these two divisions."

Turning to packaging, Sir Max says: "We do not anticipate any significant change in current activity levels for the first six months of 1976, but if there is a recovery in the state of economy in the second half, our packaging units are well placed to increase their sales volume and related profitability."

Meeting, The Abercorn Rooms, E.C., May 27, at 11.45 a.m.

Viking Trust pays more

Viking Resources Trust is raising its dividend *from* 0.55p to 0.75p net for the year to March 31, 1976, from stated earnings up from 0.72p to 1.11p per 25p share.

Income decreased from £479,073 to £514,538, subject to interest and expenses £221,810 (£363,538) and tax £81,327 (£43,982). Earnings were £111,401 (£72,153).

Total assets amounted to £10.86m. (£8.32m.) and net assets available for Ordinary to £8.67m. (£7.05m.)—equivalent per share to 85.75p (70.53p).

The applicable amount of the full investment currency premium has been included in the valuation. The amount liable to surrender on realisation would reduce the net assets available per share by 1.54p (2.45p).

Profits down at Sheffield Twist

Profits of the Sheffield Twist Drill and Steel Co., a subsidiary of SKF, amounted to £1.82m. in 1975, compared with £2,162,000 previously. Turnover was £15.61m. against £13.68m.

When reporting pre-tax profits up from £810,000 to £1.11m. at halfway, the directors said that due mainly to a fall in demand, they expected turnover and profit to be at lower levels for the remainder of the year and did not anticipate a recovery until the second half of 1976.

After tax of £992,000 and acquisition expenses of £71,000, the year's net profit is £825,000. The 1974 net profit of £1.23m. was after tax of £931,000 and included a £309,000 surplus on the realisation of land.

The net dividend is a single net interim in lieu of final, of 3.06p. The previous year's total of 4.06p included a second interim of 1.54p.

IT ISSUES

EQUITIES

1976 High	1976 Low	Stock	Closing Price p	+ or −	Div. Amount	Times covered	Gross Yield	P/E Ratio
223¼	221¾	Berry Pacific Fd. US$	223¼	......	40c	—	8.5	—
9,500	$9,500	Brasilvest S.A.	$9,500	......	—	—	—	—
85½	82½	Electra Inv. Tst.	85½	......	b3.6	1.1	6.7	21.4
£155⅝	£141½	IC. Inds.	£151¼	+¼	$1.50	—	4.6	—
222¾	121⅝	Tenneco Inc. $5	£21⅜	......	US1.76	—	4.0	—

XED INTEREST STOCKS

1976 High	1976 Low	Stock	Closing Price	+ or −
$100	$100	Barclays Bk Intl. 8⅞% Cap. Notes 1985	$100	......
$99	$99	Brascan Int. Cap Corp 9⅞% Guar Notes 1982	$99	......
10½	10	Chester Water 8% Red. Pref. 1981	10½pm	......
10¾	10	East Worcs. Water 8% Red. Pref. 1981	10pm	......
40½	36½	GLC 12½% 1980	40	+½
11	10½	Hartlepools Water 8% Red. Pref. 1981	10½	......
97½	90	Howard & Wyndham 18% Uns. Loan 1976-81	97½	......
99¼	96½	IAO 9½% Notes 1981	$95½	......
$100½	$99¾	Manitoba 8⅞% Deb. 1985	$99¾	......
100½	99¼	Mid-Sussex Water 8% Red Pref. 1981	100½	+½
100	100	Royal Bank of Scotland Floating Rate 1983	$100	......
100½	100½	Sandvik 9½% Bonds 1986	$100½	......
74	60	Scot. Met. 8% Conv.	65	−1
99⅞	99¼	Sutton Dist. Water 8% Prf. 1981	99½	......
103p	100½p	Ultramar 7% Con. Red. Pref.	101½p	......

"RIGHTS" OFFERS

Latest Renunc. date	1976 High	1976 Low	Stock	Closing Price p	+ or −
28/5	28	18	BICC	24pm	+2
7/5	151	145	Blackwood Hodge	145	+5
—	10	2	Bowring (C. T.)	10pm	......
—	59	57	Brent Chemicals	59pm	+2
30/4	68	60½	Cement Roadstone	67	......
15/4	36½	31	Concentric	31	......
21/5	251	214	De La Rue	245	......
30/4	49	38	Dennis (J.H.)	49	+5
11/5	94	88	Dew (G.)	92	+1
14/5	66	65	Diploma Invs.	66	+1
18/5	14	10	Eva Inds.	10pm	......
7/5	397	351	Fisons	365	+5
—	13	11	Garnar Scotblair	11pm	−2
7/5	174	140½	Gill & Duffus	172	−2
—	28	25	Greene King	27pm	......
30/4	106	98	Hoffnung	106	......
30/4	69	56½	Imperial Metal Inds.	56½	......
12/5	65	61	Jacob (W. & R.)	62	......
7/5	77	65½	Letraset Intnl.	74	......
20/7	73	64	Lloyd (F.H.)	68½	......
...	11	1½	Lyons (J.) "A"	2½pm	+¼
19/5	96	69	Parker Timber	96	+2
14/5	18½	17	Raine Engineering	17½	......
5/6	68	49½	Rolls-Royce Motors	58	......
1/6	30	19	Rotork	21pm	−5
28/5	5	4	Southern Construction	5½pm	+½
28/5	53	47	Stadex Int.	52	......
25/5	110	92½	Stanhope Hldgs.	109	−1
30/4	107	86	Tavener, Rutledge	107	+2
26/5	46	37	Taylor Woodrow	39pm	+1
14/4	64	57	Triplex Foundries	58	......
8/6	97½	92½	Trust Houses Forte	95	+2
11/6	166	149	Turner & Newall	161	+1
12/5	56½	47	Ward (T. W.)	55	+½
...	30	38	Western Mining	38pm	......
18/6	255	205	Weyburn Eng.	200pm	−5
20/4	14	12	Whessoe Watson	11¼	......
—	31	57	Wilmslide-Burmah	65	+2
14/5	91	76½	Youghal Carpets	89	......

late usually last day for dealing free of stamp duty. a Placing. Figures based on prospectus estimate. d Dividend rate paid or capital, cover based on dividend on full capital. p** Pence indicated. u Forecast dividend: cover based on previous year's res based on prospectus or other official estimate for 1976. L ‡ Cover allows for conversion of shares not now ranking ranking only for restricted dividends. ** Issued by tender. s of Ordinary shares as a "rights." ♥ 290 S.Afr. cents. ★ Rights lisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in organisation, merger or take-over. ♣ Introduction. ◆ Issued in holders. ‡ Allotment letters (or fully-paid). † Provisional or nt letters. § With warrants.

INTERNATIONAL COMPANY NEWS + EURO MARKETS

Thomson to take ITT subsidiary

BY RUPERT CORNWELL PARIS, April 28.

THE THOMSON electrical group is on the point of signing a deal to take control of ITT's French subsidiary Le Materiel Telephonique as a prelude to the allocation of orders for the massive forthcoming re-equipment of France's phone system.

The broad shape of the agreement has already been settled and both sides are now working on the outstanding technical and financial details. A joint announcement by Thomson and ITT is now expected before the end of this week.

The most likely formula is for the French company to buy out, on the basis of present market prices, the entire 68 per cent. holding of the American parent in LMT and—as it is obliged under Bourse regulations here—make an equivalent offer for the 32 per cent. in public hands.

A finance consortium led by a major French private bank has already been put together to provide the required funds, which for ITT's share alone would reach perhaps Frs.900m. (£105m.) on present values and for outright ownership over Frs.1.2bn. (£140m.).

At the same time, Thomson would gain control of LMT's 40 per cent. stake in LTT, a specialist manufacturer of tables with sales of over Frs.70m. It is then predicted in Paris that it would seek a supplementary arrangement with the Pechiney and Empain-Schneider groups who split the remaining 60 per cent. between them.

The deal with ITT is parallel to Thomson's takeover of the French subsidiary of the Swedish Ericsson company, a transaction settled in principle last winter but of which the details are only now emerging.

The terms worked out call for Thomson to take a 51 per cent. majority by acquiring 16 per cent. from the Swedish parent, a further 17 per cent. from the rival CGE group and 18 per cent. by open-market buying on the Paris Bourse. L.M. Ericsson of Stockholm would thus be left with a sizeable minority stake.

This remarkable, if Government-sponsored tour de force by Thomson would give it financial sway over the two systems, Ericsson's AXE and ITT's Metaconta, which are now considered practically certain to be adopted for the exchange equipment that will form the lynch-pin of the new-look French telephone service.

Investment by the postal authorities here are put at Frs.130bn. between now and 1982, at which date Thomson will have risen from nowhere to hold about 30 per cent. of the domestic market, and be well placed for subsequent exports of equipment. CGE would be left with overall charge of the next generation of time division switching material.

In financial terms, these two acquisitions will almost double the turnover of Thomson's biggest subsidiary, Thomson-CSF, to around Frs.10bn. a year—compared with 1975 group sales of around Frs.12.5bn. (£1.4bn.).

Big improvement at Matsushita

BY PETER DUMINY TOKYO, April 28.

MATSUSHITA Electric reports an apparently seasonal decline, quarter-to-quarter, in group sales during the three months ended February 20. However, both turnover and earnings rose sharply compared with the corresponding period of 1974-75 and the improvements are expected to be all but maintained in the current quarter.

Sales were $1.2bn., of which exports comprised $262.8m. (21.5 per cent.), representing increases of 21 per cent. and 54 per cent. on a year ago. The period is the first quarter of the financial year, for which earnings have got off to a flying start. They came out at $41.5m., double the figure of a year ago.

The second quarter forecast is for sales of around $1.3bn. in the current quarter, which would be 9 per cent. higher than a year ago. Earnings look like being maintained at the recent level, which would again make them twice last year's.

If the target is met, the group will at the half-way mark have accumulated Y25 towards earnings per share in 1975-76. That would compare with Y32 in 1974-1975 as a whole, and Y34.1 in 1973-74 (full year).

Compared with the fourth quarter of 1974-75 (ended November 20), the latest sales are 10 per cent. lower. The group attributes the improvements to the business recoveries in the U.S. and Japan. Exports of colour television sets were three times higher than a year ago in the past quarter.

● CANON reports consolidated net income of $5.6m. in the fiscal year ended December 31, 1975 ($2.3m. in the previous year). Net sales were $396m. ($314m.).

The managing director Ryuzaburo Kaku told Reuter that a $1.2m. loss in the first half of the 1975 fiscal year was followed by a $6.8m. profit in its second half.

The first year loss was due to a heavy deficit in the electronic desk-top computer department where production at one stage declined to 50,000 units a month. This recovered to 100,000 units in its second half due to an active expansion policy, Kaku said.

The company's exports, mainly cameras and dry-system recopying machines, increased 36 per cent. from $96m. in the first half to $130m. in the second half, he said.

Total exports of $225m. accounted for 57 per cent. of total sales in the whole fiscal year. Reuter

Bank of America deal in hand

By Mary Campbell

NEGOTIATIONS are currently in progress for Bank of America to buy out the minority stakes held by Kleinwort Benson and Banque de Paris et des Pays Bas in one of its international subsidiaries, Euromarket sources say. Neither Bank of America nor Kleinworts would comment in the report yesterday.

The subsidiary said to be involved is the London-and-Luxembourg-based Bank of America International group. Bank of America itself owns 55 per cent. of the group and Kleinwort Benson and Banque de Paris et des Pays Bas hold 22½ per cent. each.

Consolidated assets of the group amounted to $831m. (about £410m.) last December, up from $719m. a year earlier. Total assets of the London operation amounted to £274m., up from £235m.

The Bank of America International group dates back to 1971 when Bank of America set up one joint merchant banking operation with Kleinwort Benson called Bank of America Ltd. in London and another with Banque de Paris et des Pays Bas called Banque Ameribas in Luxembourg. In 1974 the two operations were merged and the names changed to Bank of America International. The London-based company is now wholly-owned by the Luxembourg-based company which is in turn owned by the three parent banks.

Bols change in articles approved

BY MICHAEL VAN OS NIEUW VENNEP, April 28.

THE ANNUAL shareholders' meeting of Lucas Bols, the Dutch distillery, to-day approved here, with a clear majority, the Board's proposed changes in the company articles of association.

In fact, had the new shares issued on Friday to the Lucas Bols Foundation, which voted for the proposal been ignored, there would still have been the required two-thirds majority.

As reported earlier, the change of articles is principally designed to give the company better protection against unwanted take-overs or mergers, something many Dutch limited companies have already effected. Bols had advanced its annual meeting by a few weeks since the Heineken take-over attempt now withdrawn had given the matter great urgency.

At to-day's meeting in Nieuw Vennep near Amsterdam, the representative of Robeco and Rolinco, the investment funds, voted against the change in articles as a matter of principle, rejecting any measures that limited shareholders' voting rights. The company representative also took the unusual step for the company of speaking up about the situation during the shareholders meeting. He had done this "as it had been apparent that the Bols foundation had been set up to force through the proposal."

The Bols chairman, Mr. W. A. Steenstra-Toussaint, said at the meeting that it had appeared that since the Heineken bid news, Bols stock had been bought up also by parties who wanted to block Heineken, which also has substantial interests in distilled products.

Reduced 1975 payout announced by BASF

BY GUY HAWTIN

BASF's announcement of plans for a greatly reduced 1975 dividend follows hard on the heels of similar news from its rival, Hoechst. Bayer—the remaining member of the West German chemicals industry "big three"—said that it would be announcing its dividend to-morrow. This is also expected to be substantially down on 1974 payout.

The terse statement from BASF said that the supervisory Board to-day considered the executive Board's findings and endorsed proposals for a reduction in dividend. Shareholders at the concern's June 30 annual meeting will be recommended a dividend of DM7 per DM50 nominal share, down DM1.50 from the previous year's DM8.50 a share.

If the shareholders agree—and this virtually is a foregone conclusion — BASF's distributed profits for 1975 will total DM232.7m. (£50.4m.), compared with 1974's DM279m. (£60.4m.). Some DM1.723bn. nominal capital qualifies for dividend, of which DM81.8m. is newly raised and qualifies for only a quarter of the full year's dividend.

As well as reducing the dividend, BASF will also be allocating far less to reserves than it has done since 1971. Some DM40m. is being allocated to reserves compared with DM80m. after 1974's exceptionally good performance and DM50m. in 1973.

The cut in dividend, which by no means as steep as Hoechst's DM2 reduction on 1974's DM9 per DM50 nominal share dividend, follows one of the most difficult years for the chemicals industry since the war. BASF's group net profits plunged 27.7 per cent. from the previous year's DM519m. to DM375.2m.

To-day's announcement came as no great surprise to shareholders. In June last year Professor Matthias Seefelder, the concern's chief executive, warned that steep falls in turnover and profitability meant that it would be very difficult to maintain the dividend. In November last year he categorically stated that a reduction in dividend was a certainty.

With the decline in dividend so widely forecast, it could be expected that the West German stock exchanges had already fully discounted the cuts. However, on the Frankfurt stock exchange to-day BASF shares closed at DM161.40, DM1.60 down on the previous day. Hoechst shares weakened substantially yesterday, having opened at DM165.50 and to-day closed at DM161—down DM3.90 on the previous day's close.

Meanwhile, Dr. Herbert Gruenewald, chairman of the Bayer executive Board, said that he expects the concern to return to the "normal" profit levels of 1972 and 1973 this year. He also predicted that the dividend would return to "normal."

In 1972 Bayer reported parent concern pre-tax profits of DM720m. (£155.8m.) and group pre-tax profits of DM1.03bn. The parent concern's 1973 pre-tax earnings totalled DM870m., while group profits rose to DM1.28bn.

Bayer paid a dividend of DM7 per DM50 nominal share in 1972 and DM8 per share in 1973, both well below the DM8.50 paid after 1974s substantial growth in earnings. While Dr. Gruenewald declined to comment on the 1975 dividend, it seems safe to predict that it will be well under the DM8 level.

Dr. Gruenewald said that he was generally optimistic about the current year. Conditions were getting back to normal and exports had started to increase in the first quarter after an initial upturn in home demand.

● CORRECTION — DR. ROLF SAMMET. The photograph which appeared on Page 28 of yesterday's Financial Times was not, in fact, of Dr. Rolf Sammet, chairman of Hoechst. This was due to a news agency transmission error.

Norcem provision marks even bigger upsurge in 1975

BY BILL COCHRANE

NORCEM, the Norwegian cement monopoly, confirmed in London yesterday that it operated throughout 1975 with fully utilised cement production capacity—it reckons it was the only West European producer to achieve that last year.

Volume sales in Norway of cement and clinker last year were static at a little over 1.7m. tonnes, but export sales improved by around a tenth to about 1m. tonnes. More important, Norcem switched its export emphasis from the U.S. to West Africa and achieved increased prices. In West Africa, notably, it had 100 per cent. of the Ghanaian market for clinker, where it was paid on the nail, but Norcem sent "not one kilo" to Nigeria, where the market slumped and several West European cement producers came badly unstuck.

On published figures, pre-tax profits last year jumped from Kr.25.3m. to Kr.46m. after a relatively gentle decline in the previous two years. Profit margins shot up—sales only rose from Kr.1.13bn. to Kr.1.9bn.—with the cement business accounting for 48 (45.2) per cent. of sales, most of net profits and 70 to 80 per cent. of ca[...] vested.

What was not publishe[d ...] preliminary report stag[e ...] this month was that [...] profits were struck [...] Kr.20m. provision for [...] its "adventure" in [...] pleasure boats field. [...] entered this area in an [...] to diversify, and exploit [...] ties technology, it appe[ars ...] Norcem was leant upon [...] Norwegian government [...] asked it to rational[ise ...] industry. Norcem the[n found] itself stuck in a mark[et that] collapsed, due to the OP[EC] oil price hikes.

Norcem has since clo[sed] three of the four pleas[ure boat] operations, cutting [...] down from 510 to 95. [...] interested in diversificat[ion ...] ginal capacity utilisation [...] key to last year's profits [...] and while it is happy al[...] it is not banking on No[rcem con]tinuing to avoid the co[...] industry downturn in n[...] ing countries. However [...] be more inclined to ba[...] diversification initiati[...] marketing expertise rat[her ...] technological similaritie[s ...]

Foreign exchange agreements

ZURICH, A[pril 28.]

THE SWISS National Bank said to-day it had signed an agreement with multinational companies under which they will report their foreign exchange transactions. The aim is to monitor the flow of capital in and out of Switzerland.

From May 1, Swiss and Swiss-based foreign international enterprises here will report monthly on the capital movements they expect during the next month.

They will also [...] National Bank an es[timate of] how much money is li[kely to be] repatriated each year, [...] said.

Multinational compan[ies ...] said the firms were [...] cooperate because [...] money through unstat[...] tions on the foreign [...] markets and thus [...] exaggerated rise of t[he Swiss] franc.

Reuter

Poclain expecting sharp recovery

BY RUPERT CORNWELL PARIS, April 28.

POCLAIN, the major French manufacturer of earth-moving equipment, is confident of a sharp upturn in its fortunes after the mishap of 1975 which saw it turn in a consolidated loss of around Frs.140m. (£16m.).

The final figures published to-day by the group, which concluded a significant agreement with the Ferodo components concern last year, show that at parent company level sales dropped in value terms to Frs.1.31bn. from Frs.1.33bn. After Frs.108m. of depreciation and other provisions, the loss came out at Frs.118m.

For the group as a whole the estimated 1975 deficit, after depreciation of Frs.57m. and a slight rise in turnover to Frs.1.89bn., reached approximately Frs.140m. The troubles of the year are equally reflected in the rise in stocks to over Frs.1bn. from Frs.900m., and a cut in Poclain's work force by almost 3,500 over the last 12 months.

Prospects, however, have improved dramatically since last autumn, thanks above all to the powerful investment incentives contained in last September's major reflation package, and the gathering recovery in the national economy which followed.

In the first quarter of 1976, parent company sales rose 37 per cent. to Frs.406m. and for the group by 30 per cent. to Frs. 528m. The Board is expecting the upswing to continue later into the year.

The main difficulties seem to be on the export side where the world market for the equipment Poclain offers is not expected to get back to its level of 1974, let alone that of 1973. One reason given by the group was the probable slight over-valuation of the French franc despite its departure from the EEC snake last March.

Monsanto sees rec[ord] year

By John Wicks

ZURICH, A[pril 28.]

THE MONSANTO che[mical con]cern expects a record [...] both sales and incom[e ...] stated here to-day by [Mr. ...] Kerley, group vice-pre[sident ...] Monsanto company. [...] The group, whose turn[over rose] 28 per cent. in the fir[st quarter] of 1976 over the corr[esponding] period last year with [...] net earnings of 61 per [cent ...] expects its best year t[o ...] European sales and in[...] 1975 these accounted fo[r ...] ($561.9m.) of total tu[rnover of] $3.6bn. ($3.5bn.).

For the product gro[up ...] mers/Petrochemicals a[nd ...] fibres, Monsanto reck[ons on a] "significant year-to-ye[ar turn]around," and Monsanto [...] is expected to show a p[rofit after] last year's large pre-ta[x ...] ing loss. In the future, [...] Mr. Kerley forecasts a d[...] share for the fibres sub[...] group sales and produ[...]

In the commercial [...] division, the Fisher Con[...] sidiary should develop [...] while improvements are [...] for electronic materials [...] products and envir[...] specialities.

Group investments [...] jected to increase to $[...] 1976, as compared to $5[...] year. Although Mr. Kerl[ey ...] that Monsanto does not [...] raise money this yea[r ...] understood that a bo[nd issue] might perhaps be made [...] U.S. capital market la[ter this] year.

Chrysler Australia dividends

BY JAMES FORTH SYDNEY, April 27.

CHRYSLER AUSTRALIA is taking steps which will enable it to pay dividends to Australian shareholders and pave the way for future increases in the local equity stake in the company. Chrysler plans to convert 15.8 per cent. of its issued and unissued capital from ordinary shares to "A" ordinary shares. Included in the conversion will be the shares already held by the Australian public.

Chrysler at present has 18,555,638 $A1 shares issued, of which 576,000 or three per cent. are held by the public and listed on the stock exchange. The small Australian content came about through the take-over of Rootes (Australia) late in 1965. Chrysler has indicated in the past that wider Australian participation would be invited at "the proper time."

Chrysler's unlisted capital is held by Chrysler Overseas Capital Corp. a wholly owned subsidiary of the Detroit parent Chrysler Corp.

Chrysler, which has operated in Australia since about 1950, has never paid a dividend to either its overseas or local shareholders. The company came under attack for the lack of dividends at its last annual meeting and the Board promised to consider the matter. It is suggested that Chrysler initially looked at the possibility of only converting the Australian shareholding to A shares, but that this was unacceptable to authorities in the U.S.

It is proposed to convert 2.9m. of the issued shares to A shares, including the 576,000 held by locals and 1,369,394 of the unissued shares.

The main stumbling block to Australians receiving a payment in the past is that any reasonable rate would have meant a large payout in total. Under the new arrangement, Chrysler can declare dividends on the A shares without the need for a payment on the ordinary shares. The U.S. parent will also receive a small payment in such an instance which apparently satisfies the U.S. authorities. Separate dividends can also be declared on the ordinary shares but the amount per share cannot be higher than for the A shares. Converting some unissued shares to A shares would allow Chrysler to offer more shares to Australians in the future. Whether Chrysler is likely to pay a dividend for some time is another matter. In 1974 the company earned a profit of $A2.46m.; but it incurred a $A1.6m. loss in 1975.

SCA to maintain earnings

BY WILLIAM DULLFORCE STOCKHOLM, April 28.

SVENSKA CELLULOSA (SCA), Sweden's largest pulp and paper conglomerate, will be able to maintain earnings in 1976 only if there is a business upturn of sufficient strength to allow it to impose price increases on most of its products during the second half of the year, according to the final report for 1975. It anticipates increased deliveries of most products during the last half, but warns that higher volume alone will not be enough to compensate for cost increases, stimulated by Swedish wage agreements.

The 1975 pre-tax profit of Kr.569m. (£70m.), achieved during a year of recession for forest products, is described as "satisfactory." It compares with Kr.749m. from the boom year of 1974 and Kr.345m. in 1973 and shows that SCA coped with the paper-market slump last year better than any other major Swedish company.

Consolidation into the 1975 accounts of Moelnlycke, the hygienic and consumer products concern taken over in 1974 in a Kr.356m. deal, helped substantially to brake the profit slide. Moelnlycke contributed Kr.51m. to earnings and just over Kr.1bn. to the Kr.3.45bn. (£425m.) turnover, of which roughly two-thirds was abroad.

As other Swedish pulp and paper producers, SCA built up large stocks of finished and semi-finished goods last year, despite cutbacks in production, but the effect on its financial position was less marked. Inventories rose by Kr.440m., of which Kr.125m. was financed from the investment fund.

More Ko[dak] challenges

CAMBRIDGE, Mass. Ap[ril 28.]

POLAROID CORP. pate[nts have] been challenged by [...] Kodak in patent offices [in Ger]many, Australia and J[apan, a] Polaroid attorney stated.

The challenges do not [...] court actions but "there [is over]lap" in those action[s ...] Kodak's court challen[ges in] Canada and Polaroid [...] against Kodak filed in [the U.S.] district court in Boston.

The lawyers added t[hat the] challenges by Kodak in t[hese] countries take the form [of] "opposition proceeding[s" and] "revocation proceeding[s."] DJ.

Anker-Werk[e ...]

By Nicholas Colchester

BONN, Ap[ril 28.]

ONE HUNDRED YEARS [after it] was founded, Anker-Wer[ke, one] of the best known Germ[an cash] register companies, ha[s gone] into bankruptcy. The c[ompany] was a victim of the el[ectronic] revolution to which, with [its capi]tal lodged in family hand[s, it was] not able to adapt itself [quickly] enough.

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Aquitaine 10pc 1985	103½	104½
Ashland 8pc 1987	95½	96½
Austraswiss 8pc 1987	93½	94½
BFCE 8¾pc 1983	99	100
CNB 9¾pc 1986	101½	102½
Conoco 8pc 1986	100½	101½
ECS 9½pc 1986	100½	101½
EIB 9¾pc 1985	102½	103½
ERAP 9¾pc 1985	102½	103½
Esso 8pc 1986 Nov.	101	102
Eurofima 8¾pc 1983	99½	100½
Granges 9¾pc 1985	101	102
Massey 9¾pc 1982	103¼	104¼
Michelin 9¾pc 1986	101	102
MODO 9¾pc 1983	100½	101½
Nwfdld. Labrador 9¾pc '86	104	105
New Zealand 9¾pc 1982	102½	103½
Norpipe 9¾pc 1986	100	101
Norsk Hydro 9½pc 1986	102½	103½
Oslo 9pc 1983	100	101
Pacific Light 8pc 1983	95½	96½
Prov. Quebec 9pc 1984	100½	101½
Scanraff 8¾pc 1983	99½	100½
SFE 9pc 1983	101	102
Shell 8pc 1986	101	102
Stand. Oil (Ind.) 8¾pc '86	102½	103½
Svenska Handels 9¾pc 1986	100	101
Volvo 9¾pc 1985	102½	103½
NOTES		
Barclays 8¾pc 1983	101½	102½
British Gas 9pc 1981	101	102
Charbon. France 8¾pc 1981	99½	100½
Denmark Mt. Bk. 9pc 1983	97	98
ECS 8¾pc 1981	101	102
EEC 8¾pc 1982	97½	97½
Electricity Cncil. 8¾pc 1981	99	99½
Montreal 9¾pc 1985	102	103
Nippon Steel 9¾pc 1980	102½	103½
Norway 8¾pc 1981	102	103
Prov. Quebec 9pc 1981	100½	101½
Seagram 9pc 1982	102½	103½

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '87	81½	83½
Ashland 5pc 1988	86	88
Beatrice Foods 4¼pc 1992	94½	96½
Beatrice Foods 4¾pc 1992	103½	105½
Borden 5pc 1992	96½	98½
Broadway Hale 4¼pc 1987	79	81
Canon Camera 7¾pc 1990	144	146
Carnation 4pc 1987	81	83
Chevron 5pc 1988	113	115
Dart 4¾pc 1987	84½	86½
Eastman Kodak 4½pc 1988	119½	121½
Economic Labs. 4¾pc 1987	81	83
Fed. Dept. Stores 4¾pc '85	134½	136½
Firestone 5pc 1988	89½	91½
Ford 6pc 1986	100½	102½
Ford 5pc 1988	89	91
General Electric 4¼pc 1987	94	96
Gillette 4¾pc 1987	80	82
Gould 5pc 1987	98½	100½
Gulf and Western 5pc 1988	94½	96½
Harris 5pc 1992	81½	83½
Honeywell 6pc 1986	92	94
ITT 4½pc 1987	78½	80½
Komatsu 7½pc 1990	105	107
J. Ray McDermott 4¾pc '87	133½	135½
Mitsubishi Elec. 7½pc 1991	101	102½
Mitsui 7¾pc 1990	101	102½
J. P. Morgan 4¾pc 1987	119	121
Nabisco 5½pc 1988	92	94
Owens Illinois 4½pc 1987	103½	105½
J. C. Penney 4¼pc 1987	85	87
Pioneer 6¾pc 1989	287	292
Revlon 4¾pc 1987	103	105
Reynolds Metals 5pc 1988	89½	91½
Sperry Rand 4¼pc 1987	98	100
Squibb 4¾pc 1987	81	83
Texaco 4½pc 1988	78	80
Toshiba 6¾pc 1990	104	105½
Union Carbide 4¾pc 1982	124½	126½
Warner Lambert 4¼pc 1987	89½	91½
Warner Lambert 4¾pc 1988	84	86
Xerox 5pc 1988	77	79

Source: Kidder, Peabody Securities.

T. Bowring's balance et strength

current year C. T. Co. have considerened its balance will be reflected in and accounts, says Mr. E. R. H.

ver 95 per cent. of convertible unsek exchanged their asis of £100 for £75 k 1987 bearing a of 10 per cent. and conversion rights. luced indebtedness The annual interest loan stock will rise but as well as redness the advantained of adding six ngth of the stock. has been enhanced in the rights.

rights issue, ter this month, will ately £11.3m. to enabling repayshort term borrowfunds to finance the business.

with the prelimin- 1975 trading in ed well. It is in- total dividends on capital of 2.6363p in the event of not less than those x for the past year (£7.94m.) and the 2995Sp (2.1105p).

the significant f dispensing with the Bank of Engoat" Bowmaker rofit of £4,625,000 assisted by "excelom its engineering wmaker (Plant).

ace of unforeseen or any further cline in the econ continuing proakers in 1976 may is stated.

re given of the cific and general anges on the 1975 g current cost hods. If the adjust en charged in the unts profit before ave been £12.2m. nto account monetpared with £15.1m. e accounts.

have been a gain power over the ting from holding liabilities, amountnately £6.1m. based in the purchasing ney. Furthermore have been holding from increase in f fixed assets and cost of sales.

s have waived the oluments totalling 0).

cula House, Tower ay 26, noon.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims—Anglo Scottish Investment Trust, Common Bros., Higsons Brewery, Bowden Group, Maynards, McKechnie Bros., Medminster, Safeguard Industrial Investments, S. Simpson, United Wire, "W" Ribbons.

Finals—Anchor Chemical, Berali Tin and Wolfram, Dent Fownes, Finlay Packaging, Flight Refuelling, Gerrard and National Discount, Matthew Hall, P. C. Henderson, Hoveringham Group, L.K. Industrial Investments, Oxley Printing, S. Pearson, Pearson Longman, Harold Perry Motors, Reed and Smith, Spencer Turner and Boldero, Tarmac, Thomson T-Line Caravans, Whatman Reeve Angel Wire and Plastic Products.

FUTURE DATES

Interims—

Evans (Frederick W.)	May 5
G.R. Holdings	May 3
Menteith Investment Trust	May 4
NSS Newsagents	May 11
Plaxtons (Scarborough)	May 5
Spooner Industries	May 21

Finals—

Ayrshire Metal Products	May 15
Barlows	May 5
British Syphon Industries	May 12
Doranakande Rubber	May 6
Gross Cash Registers	May 14
Leadenhall-Sterling Investment	May 7
Normand Electrical	May 28
Royal Sovereign	May 13
Runciman (Walter)	May 18
Summers (O. C.)	Apr. 30
Trust Union	May 13

The textile division was, however, now experiencing improved demand and introduction of the first production lines for polypropylene continuous filament, in July, was expected to make a "significant" contribution to profits towards the end of the year. The fall in the pound had also considerably helped export trade in small ropes.

Meeting Page 30

and profits had both increased in the first quarter of 1976. Management figures showed an advance in turnover in the region of 18.3 per cent. and profits 4.4 per cent.

Taking the U.K. operation on its own, profits achieved in the first quarter showed a larger increase over the same period of last year, even allowing for additional costs in establishing new trading ventures vital to future continued expansion.

eery ie

d Lorimer, chairman L'Aiule, told the g he looked forward nt world conditions improved figures in alf of the present

full impact of the n had been felt in t of the year and he first five months w expectations.

Wm. Sindall advances to £200,708

Building and civil engineering contractors, *William Sindall*, announces pre-tax profit up from £181,799 to £200,708 during 1975. Stated earnings per 25p share are 9.228p, against 8.404p.

Dividend for the year is held at 3.36p net, absorbing £17,908 after waivers of £15,692 from the chairman, Mr. H. D. Ridgeon and Mr. F. A. Ridgeon.

The chairman has relinquished the position of managing director to which post Mr. C. J. Fleet has been appointed. Mrs. C. Winfield becomes deputy chairman.

	1975 £	1974 £
Turnover	14,216,000	12,610,000
Depreciation	164,494	167,372
Profit before tax	200,708	181,799
Taxation	—	*6,730
Net profit	200,708	175,069
Deferred tax	108,489	91,006
Extraord. credit	—	†2,067

* Subsequently deferred. † From capital allowances and stock relief.

Solicitors' Law ahead

Mr. R. A. Hodges, chairman of Solicitors' Law Stationery Society, told the annual meeting that sales

Downturn at Lyon & Lyon

FROM turnover of £4.12m. against £3.13m., profits before tax of Lyon and Lyon were £235,808 for 1975 compared with £272,894 previously, following the £48,424 against £75,718 in the first six months.

Stated earnings per 25p share are 3.2p compared with 3.29p. A net final dividend of 1.18p makes a total of 2.055p against 1.895p.

After all charges including tax of £121,899 (£117,524) net profit is £113,909 against £155,370. There is also an extraordinary debit of £2,719 (£3,016 credit).

The group trades as tank barge operators, ship and barge builders and repairers, etc., and Ford Main Dealers.

Prudential Pensions' growth

Funds under management by Prudential Pensions, a member of the Prudential Assurance Group, tripled in the 12 months to December 17, 1975 to £87m. and since then have grown to well over £100m.

The report shows that the equity fund improved over the year to £36.7m. from £8m., the number of units issued more than doubling to 2.2m. The unit price of the fund increased by 97 per cent. against a rise of 158 per cent. in the FT-A All Share index.

The fixed-interest fund increased by £4m. to £14.7m., the number of units issued rising by 100,000 to 1.2m. Unit price jumped by 21.6 per cent. compared with an improvement of 33 per cent. in the FT-A 20-year Government Stock index. At the end of the period, the portfolio was split 53 per cent. long-term gilts and 47 per cent. short- and medium-term gilts, or on deposit.

The property fund rose from £10m. to £33.7m., the number of units tripling to 1.9m. The price of units increased by 14 per cent. and has risen by 37 per cent. since inception in 1971. The fund bought 24 properties during 1975 at a cost of £17m. and the property portfolio was divided between offices (45 per cent.), shops (49 per cent.) and industrial (6 per cent.). Liquidity in the fund was £8.9m.—about one-quarter of the total value. Since the year-end the funds has increased in value to nearly £50m.

Foseco earnings & dividend higher

PRE-TAX PROFITS of Foseco Minsep group increased from £12.60m. to £14.16m. in the year 1975, after a midway advance from £6.12m. to £6.75m.

Results are expressed in sterling at year-end exchange rates; had the 1974 rates been used, profit for 1975 would have been reduced by £600,000, it is noted.

Exchange differences on conversion of balance sheet items are included within extraordinary items. The latter totalled a credit of £1.03m. (debit £572,000) including £1.22m. (debit £361,000) for the exchange differences.

External sales for the year expanded from £114m. to £133m. Trading profit improved from £13.47m. to £14.81m. and net interest charges were down from £972,000 to £721,000.

Earnings per 25p Ordinary share, before the extraordinary items, are shown to have advanced from 12.8p to 14.7p and the net dividend total is lifted from 3.4278p to 3.7246p with a final of 2.1846p which the directors say they believe is the maximum presently permissible.

	1975 £000	1974 £000
External sales	133,119	114,630
Foseco	105,827	[illegible]
Fosroc	20,896	16,656
Fospur	791	627
Fosmin	[illegible]	5,646
Trading profit	14,810	13,475
Foseco	13,229	12,232
Fosroc	1,900	1,458
Fospur	104	92
Fosmin	435	385
Group management and services	818	712
Associates	67	155
Net int. payable	721	972
Profit before tax	14,156	12,658
Tax†	6,646	6,137
Net profit	7,510	6,531
Minorities & Pref. divs.	738	887
Attributable	6,772	5,644
Extra-ord. credits	1,030	*572
Ord. dividends	1,766	1,570
Retained	6,036	[illegible]

† Including £4.34m. (£4m.) overseas. * Debits.

	1975 £000	1974 £000
ASSETS EMPLOYED:		
Fixed assets including goodwill	28,503	25,910
Stocks and debtors less creditors	22,190	20,087
Cash and investments	11,604	8,306
Overdrafts	[illegible]	6,446
CAPITAL EMPLOYED:		
Share capital	12,400	12,400
Reserves	29,438	22,120
Minorities	3,121	2,404
Loan capital and long-term liabilities	9,068	8,109
Defd. and future tax	3,023	2,409
Government grants	348	164
Total	57,398	47,846

The group manufactures chemical and other products for the metallurgical, construction, and water treatment industries.

Statement Page 24

See Lex

Highgate Optical

The increases in turnover and pre-tax profits expected by Highgate Optical and Industrial for 1975 turn out to be from £3.51m. to £4.26m. and from £221,996 to £288,293 respectively. *Profits at halfway were £180,784 compared with £137,689.*

After tax up from £140,703 to £153,931, full year earnings are shown to have risen from 4p to 6.7p per 10p share and the dividend total is lifted from 1.8506p to 2.04p net with a final payment of 1.33p.

New-style contract planned for work on spent nuclear fuel

BY DAVID FISHLOCK, SCIENCE EDITOR

UNCERTAINTIES as to the final cost of the special facilities being designed for reprocessing highly radioactive spent nuclear fuel have led to a novel type of commercial contract for export orders, such as those which Britain and France are negotiating with the Japanese electricity industry.

Under the "prepayment cost-plus" type of contract, devised by United Reprocessors, a group of marketing organisation pooling British, French and West German commercial reprocessing interests, the reprocessors will contract with electrical utilities for "blocks" of reprocessing to service their reactors during the 1980s.

Funds will flow

Funds will then flow from the utilities to the reprocessors to finance construction of the necessary chemical capacity.

Contracts of the prepayment cost-plus type are already being negotiated between a group of Japanese utilities and British Nuclear Fuels in the U.K. and Cogema in France for an estimated £500m. worth of reprocessing plus transport costs estimated at another £100m.

The new contract is described by Mr. G. Rossney, managing director of United Reprocessors, in May's issue of Nuclear Engineering International.

The uncertainties start with the fact that detailed designs of the new reprocessing facilities, and of the environmental standards against which they will have to operate and dispose of their radioactive waste products, are still evolving.

Estimates indicate that commercial-sized plants of 1,000-1,500 tonnes annual capacity are going to cost about $1,000m. (£580m.), which implies a reprocessing cost for oxide fuel of $200-$300 per kilogram of uranium, says Mr. Rossney.

The proposition is that, on signature of the contract, a reference reprocessing price will be determined on the basis of the then estimated costs. The utility will then be asked to make a down payment of 40 per cent. of this reference price on the amount of spent fuel to be covered by the contract.

The contractor retains the freedom, however, to update the reference price periodically.

On delivery of the spent fuel, the utility will pay the cost of transport, plus another 40 per cent. of the reference reprocessing price on the amount of fuel delivered.

Fuel will go into storage ponds at the reprocessing facility and will be reprocessed according to a system of rules ascribing priorities to the utilities. Only when a utility's own fuel has been reprocessed will unburnt uranium and plutonium by-product be returned to the utility.

World safeguards

On completion of the reprocessing operation, uranium and plutonium will be returned to the utility under international safeguards, and the utility will be billed for the balance of the price. The final reprocessing price, says Mr. Rossney, will be determined by reference to the actual basis incurred, and a fee will be added as a percentage of costs at each stage of payment.

Mr. Rossney acknowledges that this type of contract will require independent auditing while the work is in progress.

The three shareholders in United Reprocessors — British Nuclear Fuels, Cogema, and KEWA—are pooling their reprocessing technology, including the planning of a research and development effort costing about $30m. a year.

Oil prices will go on rising, says Kearton

Financial Times Reporter

WORLD OIL prices will go on rising, Lord Kearton, chairman of the British National Oil Corporation, predicted yesterday.

He said the days of cheap energy were over. Oil producing countries had now adjusted rapidly to the higher incomes they were getting.

"Their greatly increased spending on industrialisation and on social infrastructure make it virtually certain that no sudden reversal of oil prices will occur," he said.

"A further upward trend in real terms is a probable development."

Lord Kearton, speaking in Edinburgh at a lunch during the annual general meeting of the Institution of Gas Engineers, said Britain was one of the few industrialised nations on the way to becoming self-sufficient in energy.

He said: "We have to increase our industrial production quite sharply at competitive costs merely to maintain something approximating to our present comforts and present standards of social services.

"To meet the expectations of most of us we shall need our very own industrial miracle."

New equipment for Birmingham Stock Exchange

By Our Midlands Correspondent

THE LATEST electronic and communications equipment installed at the Stock Exchange Midlands and Western division in Birmingham in a £100,000 modernisation will be opened formally to-day.

Mr. E. R. Greey, chairman of the Stock Exchange, Birmingham, said: "Dealing floors throughout the country are playing a very active part in the Stock Exchange organisation and we certainly don't see them going out of business.

"In fact, the market is tending to come back to the provincial floors, especially for smaller and local companies."

Birmingham Stok Exchange was formed in 1845. It has 130 members, three jobbers and 60-70 dealers on the floor.

ITMENTS

Hatchett to be chairman Dawnay Day Group

d Hatchett, at present irman of DAWNAY P, has been elected ı succeed Mr. Peter June 30, the end of financial year. Mr. however remain a he group until taking ıppointment as chair- sh Rail in September. t, who has been a Dawnay Day Group d was, until recently. ary and investment Prudential Assurance, e chairman of the rchant banking sub- nay Day and Co.

★

L. Lodge has been narketing and sales PAINS-WESSEX and JULY, both members and protection divi- e Wilkinson Match

★

Black and Dr. A. R. e been appointed to CLYDE PETROLEUM.

★

Bonham-Carter, Mr. Mr. John Dunwell, Strachan and Mr. pson have joined the LLIED BREWERIES. moves from his ion of chief executive Bristol to chief Showerings Vine hiteways. He also ecutive committee of veries. Mr. Brian director of Allied comes deputy chair- V and also a member executive commitee. eWatters, a director of Bristol, has been the SVPW Board. ers becomes chief Harveys in succession to Mr. Davies and Mr. M. C. J. Jackaman has been made deputy chief executive of that company.

★

Mr. Ronald Blackman will shortly be joining GILL AND DUFFUS GROUP as group finance director, and has been appointed to the group Board from July 1. Mr. Blackman is resigning as a director of United Dominions Trust and as chairman of International Commodities Clearing House from May 31.

★

Mr. G. E. Oatley has been elected deputy chairman of SPHERE-DRAKE (UNDERWRITING).

★

Mr. G. R. Turner has been elected president of the HUDDERSFIELD AND BRADFORD BUILDING SOCIETY in succession to Mr. C. E. Sutcliffe, who has completed his term of office. Mr. R. Bentley succeeds Mr. John Hardy as vice-president. Mr. Sutcliffe and Mr. Hardy continue as directors.

★

Mr. Leslie Lloyd, currently chief operations manager at BRITISH RAIL headquarters, and a former Western Region movements manager, returns to the Region as its general manager from May 3. He succeeds Mr. Frederick Wright, who is retiring.

★

Mr. K. C. Peters has been elected president of the ASSOCIATION OF CERTIFIED ACCOUNTANTS. Mr. L. F. Pocock has become deputy president and Mr. E. R. Gibbs, vice-president for the ensuing year.

★

Mr. Peter D. Riches has joined the corporate staff of the PLESSEY COMPANY as director of marketing from Motorola, where he was managing director of the automotive products division.

★

Mr. J. O. Broad has become deputy chairman of the FEDERATED INSURANCE COMPANY from May 1. He retains certain responsibilities in financial administration but relinquishes his position as general manager. Mr. W. Simms has been appointed general manager in succession to Mr. Broad.

★

Mr. W. R. S. Ritchie has been appointed a director of the STANDARD TRUST.

★

Mr. Michael S. Ridout, managing director of Auto Diesels Braby, has been appointed a director of BRABY LESLIE, the parent company of Auto Diesels.

★

Mr. Michael Roberts, a director of Woolcombers, has been elected chairman of the WOOL TEXTILE DELEGATION, in succession to Mr. Roy Stroud.

★

Mr. Karl Mueller has been appointed managing director of Hornby Hobbies, a division of ROVEX. Mr. Ken Edey has become managing director of the Pedigree dolls and toys division and Mr. Jock Gordon has been made managing director for the overseas trade of the newly-formed international division. The three divisions will operate independently within the Rovex structure. Mr. Robert Butler, previous managing director of Rovex, has been appointed managing director of the Louis Marx Corporation in the U.S.

★

Mr. W. C. Gair has been appointed managing director of BARRATT DEVELOPMENTS (HULL), a subsidiary of Barratt Developments. He was previously managing director of Bovis Homes Eastern.

Hamilton in N. Sea cost cutting venture

BY RAY DAFTER, ENERGY CORRESPONDENT

HAMILTON BROTHERS, operator of the North Sea Argyll Field, has formed a partnership with a drilling rig operator to develop cheaper methods of off-shore oil production.

The U.S. oil company is co-operating with Sedco, one of the world's leading operators of semi-submersible drilling rigs, to design, build and operate floating production systems such as it is using to obtain oil from Argyll. Reports in the oil industry suggest that the Transworld group may adopt a similar production method for its Buchan field.

Hamilton Brothers' representatives in the U.K. say the use of floating systems could enable fields to be brought on stream more quickly and cheaply than those employing rigid platforms.

Argyll was started up much earlier than if it had been developed with a conventional platform.

Use of floating systems is especially attractive now as there is a surplus of semi-submersibile rigs, which could be adapted for production work. However, the increasing emphasis being placed on such alternative production methods—they also include sub-sea systems—is causing concern among builders of fixed platforms who are running out of orders.

Scheduled airlines aim for low Atlantic fares

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

WHILE THE North Atlantic airlines are attempting to work out a new cheap fare for operation between the U.S. and Europe from November 1, a similar type of fare already available from Canada to the U.K. is proving highly successful.

The Canada-U.K. fare, called a "charter-class fare" by British Airways although it is offered on scheduled services, is a little cheaper than the Apex fare from the U.K. to Canada.

British Airways says that since its introduction on April 1, its Canada-U.K. bookings have risen 14 per cent. of which about one-third are for the new fare, representing about 6,000 passengers.

Mr. Tony Cook, the airline's marketing manager in Toronto, said that the new fare had proved to be the "biggest shot in the arm for the scheduled airline industry in Canada since the introduction of 'fly now, pay later' fares some time ago."

The Atlantic airlines are now meeting at the Esso Motor Hotel at Wembley to work out a correspondingly new cheap fare for the European-U.S. routes from November 1.

They dislike calling the new rate a "third-class" fare, *arguing that it will be more a* "fourth-class" rate, after first-class, economy and Advanced Purchase Excursion (Apex) rates. It will be aimed at enabling the scheduled airlines to beat off competition from low-fare charters.

Fires cost £20m. last month

By Our Industrial Staff

FIRE damage cost an estimated £20.7m. last month, according to figures released yesterday by the British Insurance Association.

The March total is the highest since last November, and compares with £11.7m. in the same month of 1975. A quarter of the total was accounted for by three major fires: at an electrical factory in Wales, a furniture company in south-east England, and a club in the north-west.

There were 29 fires costing more than £25,000 at public places, such as shops, schools, and hotels.

The BIA figures include both insured and uninsured damage, but take no account of the cost of lost production, orders, and exports.

£56 increase

A BACKDATED increase of £56 a year in London allowance has been awarded by the Central Arbitration Committee to 20,000 Greater London Council staff.

BBC licence renewal fee up from £900 to £30,000 a year

FINANCIAL TIMES REPORTER

THE BBC licence and agreement, which expires on July 31, is extended for a further three years by a supplemental licence and agreement published yesterday.

A Treasury Minute gives approval to the extension, but Commons approval is required for the section relating to arrangements for the BBC's external services, which involve a public charge.

The main alteration is that the annual renewal fee to be paid by the Corporation to the Home Office goes up from £900 to £30,000.

At the same time, the BBC's Royal Charter is being extended for a further three years.

The temporary extension is to allow time for the completion of the investigation by a committee headed by Lord Annan on the future of broadcasting, which is due to report early next year. There will then be a period for discussion and consultation of the recommendations before a Government decision on their implementation.

The steep rise in the annual renewal fee from £900 to £30,000 is understood to be in accordance with a Treasury dictum that departmental costs must be self-supporting. The renewal fee for the Independent Broadcasting Authority Licence agreement has been increased from £900 to £26,000 for the same reason.

IBA awards local radio stations new contracts

ANNUAL EXTENSIONS to the radio contracts of ten of Britain's 19 independent local radio stations have been awarded by the Independent Broadcasting Authority.

The contracts for LBC (London), Capital Radio (London), Radio Clyde (Glasgow), BRMB (*Birmingham*), Piccadilly Radio (Manchester), Metro Radio (Newcastle), Swansea Sound, Radio Hallam (Sheffield), Radio City (Liverpool) and Radio Forth (Edinburgh) will now continue to operate three years ahead.

These are the second contract extensions awarded to Radio Clyde, BRMB and Piccadilly Radio. Contracts are awarded initially for three years, with provision for an annual extension of one year if companies are considered to be making satisfactory progress after *review by the IBA.*

The latest independent local radio stations to come on the air are Downtown Radio, based in Newtownards, County Down, which began in March, and Beacon Radio, Wolverhampton, which started earlier this month.

CONTRACTS

ı Laing awarded ·m. Leeds work

G CONSTRUCTION, gion, has received a act from Leeds City the construction of s of seven types in ds. They will com- bedroom flats, 34 two- ee person houses, 16 , four person houses, droom, four person three-bedroom, five es and 11 four-bed- person houses. works, roads, sewers ping are included in k contract, work on already started.

IPUTER (U.K.) has d a contract worth George Outram and , publishers of the erald and Evening wo computer systems, on the PRIME 300 tory processor. One be linked to four kers. The 300 pro- supply data to the control the size of dies of newspapers. provide the address undle content infor- the automatic label dispensing machines, handling customer eparation of invoices ents, daily delivery nput of cash and es and the updating information. The m ordered by Out- eet commercial data quirements.

★

DING GROUP, Brad- eceived a contract worth about £100,000 from Vierod and Woods, steel fabricators, of Pudsey, for the construction of an engineering workshop and offices in Battye Street, Bradford.

★

DOWTY HYDRAULIC UNITS has secured a £500,000 order from the Ministry of Defence for hydrojet units and hydraulic pumps. They will equip the new FV180 combat engineer tractor for the British Army.

★

N. G. BAILEY AND CO., Bradford, *has won a contract worth* more than £1m. which involves the electrical installation at the new Brighton Marina Leisure Centre.

★

UBM HILLS WINDOWS has been awarded two contracts totalling £310,000. The first for £155,000 covers the supply and fixing of toughened plate glass assemblies for cladding walls of internal courtyards in the new Coutts Bank in the Strand, London.

The second contract, also for £155,000, is for the supply and fixing of specially designed induction unit cases for the new head office building of the City of London Real Property Company in Cannon Street, London.

★

A. MONK AND CO., Warrington, Cheshire, is to construct a new balancing lake and a balancing reservoir at Willen and Loughton (Bucks.) respectively. Together valued at about £1.3m., the projects are for the Bedford sewage division of the Anglian Water Authority.

Serious thought is now being given to the less obvious energy options. **David Fishlock** reports.

After North Sea oil: wave power

Judges of our energy requirements: Energy Secretary, Anthony Wedgwood Benn (left) and his chief scien[tific] adviser Dr. Walter Marshall (right).

PLANS TO spend about £1m. over the next couple of years on the possibility of harnessing sea waves to electricity generation are expected to be announced by the Department of Energy to-day. It is the first — and may well be the only — of the so-called "benign and renewable" energy resources to be given substantial research support by the U.K. Government. For this reason at least, it is important that what, by energy investment standards, is no more than a trifling gamble on an outsider should not be allowed to deflect attention from the fact that Britain still has no long-range energy strategy for the 1990s, when its North Sea resources begin to run out.

Politicians are notoriously reluctant to grasp the implications of the long-lead times associated with central energy supplies. It took ten years to tap the North Sea for oil, for example; and it will probably take almost as long to bring Selby, Britain's first new coalmine for over 20 years, up to high levels of production. It takes ten years or more to plan and construct a large power station of any kind nowadays.

New energy sources, however, will take very much longer than this to bring to fruition. At least 25 years must be allowed to bring a new nuclear system and its fuel from conception into commercial operation. Thermonuclear fusion — sometimes advocated as a benign alternative to nuclear fission— has not even reached the conceptual stage. "I've sometimes guessed that we might get electricity out by 2030 but we can't even plan to that," says Dr. Walter Marshall, chief scientific adviser to Mr. Anthony Wedgwood Benn, Secretary for Energy.

As for the other benign and renewable resources—sun, wind, wave, tidal and subterranean energy sources—any realisation seems to lie somewhere between about 15 years for a one-off tidal project such as the Severn to 100 years for any major use of solar energy in the U.K.

The dominant task given to Dr. Marshall, deputy chairman of the U.K. Atomic Energy Authority, when he was made scientific adviser to the Secretary for Energy almost two years ago was the drafting of a long-range energy research and development strategy. This was envisaged as the master plan to which Britain would work to maintain the security of energy supplies when not only its own but the world's supplies of oil and natural gas began to dwindle.

The need for such a plan has emerged mainly from a growing scepticism in the 1970s about the technology that has been the focus of U.K. hopes of eventual energy self-sufficiency for the past 25 years. This is the fast "breeder" type of nuclear reactor, a system which promises to use its fuel about 50 times more efficiently than present-day reactors. Although Britain has discovered no indigenous reserves of uranium worth exploiting, the uranium already stockpiled by the nation has a greater energy content than either its coal or its North Sea reserves—given access to the fast reactor.

Appraisal

At the root of the scepticism about the fast reactor are three perfectly reasonable questions: Will it work? Is it safe? Will its cost be competitive? These three, together with growing realisation that the entrance fee was bound to be big, proved incentive enough to undertake a careful appraisal of alternative energy options.

The first results of this appraisal came out late last year. They proved a considerable disappointment to those who felt convinced that if only some of the "neglected" options were paid more attention, the troublesome nuclear technology could be abandoned. Harwell's studies then showed that at best the five energy alternatives studied — sun, wind, tidal, wave and geothermal — could contribute no more than 6-8 per cent. between them to Britain's long-term energy requirements, and even that at a price that might make fast reactors seem cheap. (The U.S. Government has a yardstick which says no research support unless an idea has prospects of contributing 0.5 per cent. of U.S. energy demand by 1985.)

For the past few months the Harwell team, now led by Dr. Freddy Clarke as its director of energy research, has been completing more detailed studies of each of these five options, to see whether and where the Department of Energy might usefully spend cash to advance a technology. It appears to have concluded that sea wave power is one option where Britain has both promising ideas and an abundance of waves—and waves with seven times as much energy as U.S. waves—and that it deserves a little cash. It has recommended spending around £1m. on further laboratory testing of three ideas. Two are British, one being from Sir Christopher Cockerell of hovercraft fame; and one is Japanese. All are for harnessing waves to electricity generation.

But to keep the prospects of wave power in perspective, the Harwell scientists acknowledge that all three ideas are at a very early stage of development, and even the cash it proposes spending will not be enough to get prototypes into the sea. What, eventually, they envisage are offshore structures the size of supertankers—with all that implies in development costs for a coastline as turbulent as that of the U.K.

Smaller sums — perhaps totalling another £1m.—are still being contemplated for further exploration of the other four options.

But the purpose of the appraisals was always to help Dr. Marshall draft his long-awaited energy research strategy. They confirm the view held by those—such as Lord Rothschild when head of the Cabinet Office "think-tank," and Sir Alan Cottrell, formerly chief scientific adviser to the Government—who said that any long-range energy strategy for the U.K. must put most of its effort into three components—coal, nuclear energy and the conservation of energy. Moreover, since Britain lacks indigenous uranium, the nuclear component must be fast "breeder" reactors.

On any reasonable view of the future, confirms Dr. Marshall, we cannot get by with any two of the three. If we try to, he believes, the consequences will be very unpleasant in terms of the price Britain will find itself paying for energy come the 1990s.

The task now becomes one of packaging the strategy in a way which will be palatable to the politicians, and particularly to Mr. Wedgwood Benn. One of the problems is that the traditional economist's approach of extrapolating from the present energy position can be used to prove almost any argument about future requirements. As Dr. Clarke found, "it gets you nowhere except to show how imponderable is the future."

His team came up with another idea. They became crystal-gazers, projecting themselves 25 years into the future, in order to try to imagine the kind of energy situations different factions have been advocating. Then they worked back to show what Britain must begin to do now in terms of research and development to achieve each situation.

Not least of the advantages of this approach is that it gives greater weighting to the technologies alleged to have been neglected.

Somewhat to the authors' surprise a draft of the paper has already been received with favour by some of the nation's top energy experts. Its scenarios span the whole spectrum of possibilities from low energy growth to high energy growth, from an all-electric energy economy to one with strict curbs on nuclear expansion. One thing they reveal clearly is that only by taking an extreme conservationists can Britain hope to remai[n] sufficient in energy su[pplies] once North Sea resource[s] low.

When can the public [expect] to have sight of a disc[ussion] document which obviousl[y] major implications for [the] future of Britain? A Parli[amen]tary Select Committee ha[s been] pursuing the questio[n of] government support fo[r] "neglected" energy optio[ns and] has already shown sig[ns of] impatience at the delay i[n pro]ducing a long-range re[search] strategy. It has sum[moned] various Department of E[nergy] officials—Dr. Marshall [among] them—as witnesses at in[quiries] throughout May.

Moreover, Mr. Wed[gwood] Benn has called his own energy forum on energy [...] to take place in Lond[on on] June 22, following one h[e con]vened recently for the [state-]owned energy industry i[...] Even if the long-range st[rategy] is withheld from the MP[s it is] unlikely that the Secret[ary for] Energy could resist its [release] for the benefit of his own forum.

The question will then [be how] long should it remain a [docu]ment for discussion, befo[re the] Government decides [which] scenario it plans to purs[ue. The] authors assume that the[re will] be one or two further [years] before the pundits are s[atisfied] that its scenarios port[ray an] accurate picture. The[y] court the risk that optio[ns] begin to close because t[he pro]ponents have grown [dis]illusioned. This is alr[eady a] very real risk in the case [of the] nuclear industry, still [without] new orders nearly tw[o years] after the Government ann[ounced] a new nuclear powe[r pro]gramme.

IT ON DRINKING AND DRIVING

Strengthening the police arm

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

rinking and driving ...e enforced effectively ... limitations on the ...e police to stop and ... have to be removed, ...t published yesterday. ...estion is contained in ...of the departmental ...under the chairman... Frank Blennerhassett ...king and driving.

...portant proposals are: ...breath sample should ...e used to determine ...alcohol in a driver's ...blood analysis as an ...l test;

...me offenders should ...a new "high risk" ...hich would mean ...pply to the court for ...ion of their licences ...getting them back ...y as a present. They ...to show that they ...steps to control their ...

...ermanent programme ...and education should ...to warn young people ...r about the dangers ...after consuming too ...l.

...mittee says that the ...of road accidents in... ...ohol exceeds £100m. ...unwillingness or in... ...me drivers to control ...g leads to more than ...s a year, including ...fatal road accidents ...le drivers.

...rent

...t says that a year's ...on is a strong ...the driver. To every ...is an inconvenience ...lation. For most it involved heavy incidental expense and a cramping of life style. For some it meant loss of livelihood and the need to find new employment.

The committee concludes that the law is too weak, not because the penalties are wrong, but because people no longer expect to be caught.

Although there had been a rising rate of police breath tests, there had been an increasing in belief that a person could drive after heavy drinking with little risk of detection.

"The level of enforcement has to be *seen* to be increased. Since police resources are limited, that can be achieved only if the obstacles to their task are cleared away."

Technical aids

At present the police were hampered by the need to follow to the letter a complicated and time-consuming procedure, and to prove in court that they had done so. Moreover, a driver could not be convicted unless the constable required the initial roadside breath test in circumstances which were closely and restrictively defined in the statute.

"Thus a first step in combating the effects of alcohol on the roads is to change features of the law which frustrate its enforcement and to give the police the improved technical aids now available. We believe this can be done while maintaining essential safeguards for the citizen."

The committee points out: "If the police are to be efficient in detecting offenders and their limited means are to be deployed to best effect in deterring those who might drink excessively before driving, they need discretion to test those who are most likely to be over the limit.

"The present categories do not allow the police to develop policies which are relevant to drinkers' behaviour or to rely on their trained judgment in the individual situation; instead they must conform to an artificial ritual, in the knowledge that, if they deviate from this, a prosecution is likely to fail, however dangerously unfit the suspect may subsequently prove to have been.

"Thus both to remedy the defects in the law and to provide the basis for appropriate and effective enforcement of it, the present limitations on the power to stop and test drivers have to be removed. We regard this as an essential and integral part of our proposals."

This would not bring about random testing of mortorists and "mean testing many drivers for every one who was found to be over the limit."

The police worked within a disciplinary framework, "and we have no reason to suppose that a constable is at all likely to abuse his discretion."

High risk

In any case, "while the basic rights of the suspect must be safeguarded, we consider that other road-users' right to be protected from dangerously unfit drivers is paramount."

On the question of the proposed new category of "high risk" offenders, the report points out that under the present law a person with a drinking problem had his licence returned to him automatically at the end of a period of disqualification.

Mr. Frank Blennerhassett: Question of a deterrent?

Offenders found to have a blood alcohol count over 200 mg. —"a level hardly ever reached in normal social drinking"—should come into this high risk category. Second offenders would also be classed as high risk, together with those who refused specimens for analysis.

These high-risk drinkers would be subject to a special type of order (in addition to the ordinary penal disqualifications for at least 12 months) as a result of which they would be put on notice that at the end of that period they must satisfy the court that as drivers they would not present undue risks.

They would be encouraged to seek advice and, if they had drinking problems, appropriate help.

There is much ignorance and complacency about the effects of drinking and driving, the committee says.

"The danger is emphasised by the fact that there are still people who believe that they drive better after a few drinks, in spite of the fact tha this delusion has been shown to make a large contribution to the danger."

The committee says it is urgent that the Government should counteract this by undertaking a heavy and continuing campaign of public education through the media. Consideration might be given to the inclusion in schools' curricula information about the effects of alcohol and its dangers.

The committee insists that its recommendiations should be treated as a package because, not only are they closely connected, "but the experience of the Road Safety Act showed how, suitably presented, drinking and driving counter-measures can have dramatic results. Although it would be wrong to look for an instant solution and to neglect the need for longer-term efforts, the oportunity of saving thousands of lives and injuries by giving measures real impact should not be passed over, and we recommend that if at all feasible they should be synchronised."

Drinking and Driving, report of the Departmental Committee. HMSO, 105p.

...powners launch ...eme to reduce ...lution from oil

INDUSTRIAL STAFF

...ARY initiative which ...bstantially reduce ...the sea by oil from ...aunched last night by ...ational Chamber of ...mber, representing ...in 25 countries, is ...tanker charterers and ...accept a code which ...voluntary compliance ...of the 1973 Inter... ...nvention for the Pre... Pollution from Ships. ...is to implement ...ects of the convention ...allowed to wait for ...individual govern... ...it take up to ten years ...n force.

Apart from the need to get agreement by governments, the convention also lays down requirements for certain equipment which is either not yet fully developed or generally not available.

Mr. A. B. Marshall, chairman of the Chamber's tanker committee, acknowledged last night that many of the convention recommendations were complex and unlikely to come into force for some time.

"Yet many of its provisions can be complied with now, and we thought we should see what the industry could achieve voluntarily."

New law urged on asbestos

HOUSEHOLDERS AT risk from possible long-term health hazards of asbestos dust in the home could find themselves with little or no legal protection unless new legislation is passed, a legal journal warned yesterday.

The risk of lung disease in the home arises not from the installation of asbestos when houses are built, but from the gradual break-down of asbestos lagging into blue asbestos dust, the Guardian Gazette says.

The long and unlikely chain of events involved would not normally cause too much concern.

But the very harmful long-term effects that could be caused by blue asbestos called for consideration of the formidable legal problems in bringing an action 15 or 20 years after the event against a builder or landlord.

Substitute natural gas tests succeed

BY DAVID FISHLOCK, SCIENCE EDITOR

DETAILS OF a successful £5m. experiement by British Gas to demonstrate the key step in a new method of making substitute natural gas from coal were disclosed at a meeting of engineers in Edinburgh yesterday.

The technology could keep Britain's natural gas grid at full pressure in the 1990s, when North Sea supplies are expected to run down.

Dr. Denis Hebden, programme director of British Gas's Westfield project, and Dr. C. T. Brooks, development manager, described in a paper to the annual conference of the Institution of Gas Engineers, a series of trials over the past year on the Westfield fixed-bed slagging gasifier in Scotland.

The trials were commissioned by a consortium of 15 U.S. companies, headed by Continental Oil, and involved the conversion of a Lurgi gasifier to a "slagging" gasifier design developed in the mid-1950s by British Gas's Midland Research Station.

This high-pressure technology rejects the non-conbustible portion of the coal feedstock as a molten slag instead of a solid ash. The process is controlled by injecting tar and powdered coal, as required, to sustain the temperature.

The scientists claimed that their trials had shown that coals with an ash content as high as 20 per cent., and even lignite, would yield gas by this method suitable for further refinement to make substitute natural gas.

They concluded that, by using the Westfield route, it was possible with most U.S. coals to realise the benefits of the basic slagging approach to the gas—namely, high output, low steam consumption, low yield of aqueous liquor and high gasification efficiency. Between them, these factors would lead to low gas production costs, they said.

A demand for coal-based substitute natural gas was unlikely to occur in the U.K. before the mid-1990s, the scientists acknowledged. Peak-load gas might be required earlier, but this could be met by British Gas's catalytic rich gas process, which used a light oil distillate as feedstock and was cheaper in capital cost and more flexible.

Fourteen streams of catalytic rich gas-based plants making substitute natural gas are already operating in the U.S., producing more than 1.67m. cubic metres of gas a day at peak output.

The scientists saw their new process, using coal feedstock, as essentially a base-load process, most likely to be implemented first in the U.S.

More airport homes get free insurance

A FURTHER 10,000 homes in areas around Heathrow Airport will get free insurance cover for roof damage caused by trailing vortices from aircraft.

Homes in parts of Bedfont, Hatton, Heston and Hounslow West will be given free insurance by the British Airports Authority. The houses are up to approximately three miles from touch-down on Heathrow's two main runways.

The original scheme, announced in November, 1974, insured nearly 950 homes in the area of Cranford, Middlesex, where roof damage incidents had been reported.

Since its introduction there have been reports of damage outside the area and, after investigation, eight such incidents were attributed to trailing vortices.

The British Airports Authority said yesterday that it would meet the cost of repairs in the eight cases.

BP Oil orders road tankers worth £4.5m.

BP OIL is to spend £4.5m. on the re-equipment of its road delivery fleet this year. It will take delivery of 207 vehicles, equivalent to about one-quarter of the present fleet.

Mr. John Riddell-Webster, deputy managing director, said that BP ordered 54 British Leyland Bisons for delivering motor spirit, diesel fuel oil and gas oil, 53 articulated vehicles—British Leyland Chieftains and vehicles from Seddon Atkinson Vehicles, a subsidiary of Seddon Diesel Vehicles (part of the International Harvester Company of Canada)—and 71 rigid vehicles for medium, heavy and light fuel oils—from ERF and Seddon Atkinson Vehicles.

Another 29 specialised vehicles had also been ordered.

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

(Incorporated in the Republic of South Africa)

CHAIRMAN'S STATEMENT

The following is a statement to members by Mr. B. A. Smith, which will be presented at the Annual General Meeting of the company.

I have great pleasure in presenting my statement for 1975, a year during which the Cooke No. 1 Shaft system reached full production.

Working profit increased from R13,180,000 in 1974 to R26,865,000 in 1975.

OPERATIONS AT COOKE SECTION

Tonnage milled from this Section totalled 816,000 tons in 1975 compared with 349,000 tons in 1974 and monthly production is currently in excess of 75,000 tons per month. This scale of operations represents the full capacity of the Cooke No. 1 Shaft system. The increase in production over 1974, together with a slightly improved recovery grade, resulted in a doubling of gold output to 11,654 kilograms. An average price of R3,437 per kilogram was received in 1975, compared with R3,330 per kilogram in 1974. The increase in production helped contain the rise in unit working costs to some 7.5%. However, the prevailing inflationary climate in the Republic continues to exert tremendous pressures on the mining industry and with a new round of annual wage increases currently being negotiated, the mine can expect to see a further marked increase in working costs in the present year.

The implementation of a five-day working week underground is likely to result in further increases in working costs if the production levels of the industry are to be maintained, which might not be possible in the short term. However, your company would appear to be well equipped to meet this new challenge.

Development rates were maintained during the year with total development at the No. 1 Shaft amounting to 10,028 metres (1974 — 10,882 metres). Development results have shown encouraging gold values and these, together with the value of existing ore reserves, should ensure that the overall recovery grade for the current year should equal that of the previous year. Development results remain consistently above what might have been anticipated from borehole results in the area; nevertheless, it would be imprudent to assume that this relationship will persist throughout the lease area.

At the No. 2 Shaft system the Ventilation Shaft has been sunk to its final depth of 896 metres and the Main Shaft has to date reached 1,070 metres, just short of its final depth of 1,181 metres. Commissioning of this shaft is expected to be completed by April, 1977 and the build-up to full production of 100,000 tons per month in the second half of 1978 should be on schedule.

Development towards the reef from the Ventilation Shaft has commenced on the upper levels and within the next few months it should be possible to compare actual values with those indicated from the results of borehole sampling in the vicinity of this shaft.

OPERATIONS AT RANDFONTEIN SECTION

Gold production from resue mining of the Black Reef was phased out as planned during 1975.

Preliminary investigations are in progress at the No. 16 and No. 32 Shafts in order to assess the feasibility of reopening this Section of the mine in the event of a decision being taken to expedite the early production of uranium from the Bird Reefs. The results to date are encouraging.

CAPITAL EXPENDITURE AT COOKE SECTION

Net expenditure on mining assets totalled R14,575,000 in 1975. The main items of this expenditure were R3.8m. on underground development and equipping at the No. 1 Shaft and R8.3m. on shaft sinking and equipping, including shaft system development, at the No. 2 Shaft. Expenditure on the gold plant and rail transport system amounted to R1.5m. and housing and hostel accommodation to R1.6m.

The current estimates of 1976 expenditure amount to a further R24,000,000, to be spent mainly as follows:

Cooke No. 1 Shaft — pumping and compressed air services (R1.6m.), Black hostel (R5.0m.).

Cooke No. 2 Shaft — shaft sinking and equipping including shaft system development (R10.2m.) and general underground development (R1.8m.).

In addition expenditure on housing, black welfare and hostel improvements and on preparatory work for the new gold plant to be built at the Cooke Section, is scheduled for 1976.

Notwithstanding any decision that may ultimately be made regarding the proposals to expand production, the board has decided to reconstruct and update the uranium plant at Millsite to treat the current production from Cooke Section. The cost of re-commissioning this plant is estimated to be some R3.6m., of which R1.4m. may be spent in 1976.

PROPOSED EXPANSION PROGRAMME

Shareholders were advised in a statement dated 4th December, 1975 that plans had been drawn up for the most advantageous methods of exploiting the company's gold and uranium reserves. To quote: "The plans will necessitate the completion of the shaft sinking and equipping programme at the Cooke No. 2 Shaft system, the installation of an integrated gold and uranium beneficiation plant in the vicinity of the Cooke Section and the reopening of the old Randfontein Section. These developments, together with existing on-going commitments, could require capital expenditure of the order of R130,000,000 in today's terms over the period 1976 to 1979 and would give the mine a capacity of 250,000 tons milled per month."

Since publication of that statement, the plan to expedite the early production of uranium by re-commissioning the uranium treatment plant at Millsite referred to under Capital Expenditure above, has been finalised. This will operate in conjunction with and at the same rated capacity as the present gold recovery plant. An early return to uranium production in this manner should not only make a positive contribution to the cash flow at a time of heavy capital expenditure, but should also enable invaluable design and test work to be carried out on new equipment. This modern equipment could enhance the performance, reduce the cost and expedite the commissioning of any new plant to be installed at Cooke Section.

As previously stated, your board is of the opinion that a final decision to embark upon the proposed expansion programme can only be taken once firm sales contracts have been obtained, with a guaranteed base price geared to inflationary cost increases. Suitable loan financing is also a prerequisite to any such decision. Negotiations are currently in progress for the supply of uranium under long term contracts and for the provision of the necessary loan finance. It would be premature and possibly even prejudicial to these negotiations for me to make any comment at this juncture. Members will be advised of their outcome and, in the event of their being successful, of the consequential detailed plans for expanding both the gold and uranium production of the company.

As a prospective uranium producer, your company has been re-admitted to membership of the Nuclear Fuels Corporation of South Africa (NUFCOR). Accordingly, the negotiations to which I have referred are being conducted through the agency of NUFCOR which has gained world-wide experience in uranium marketing on behalf of its producer members and is consequently best suited to handling this task.

It is gratifying to note that the price of uranium oxide, which had fallen to as little as U.S.$6 per pound in 1972, has continued its upward movement with spot sales currently taking place at prices in excess of U.S.$30 per pound. However, base prices to be expected under long term sales contracts tend to be somewhat lower than current market prices.

FINANCIAL

The overdraft facilities granted by the Standard Bank of South Africa Limited were relinquished during the year. The Standard Merchant Bank loan of R2,000,000 at the year-end has subsequently been reduced by the first of four annual repayments of R500,000 made in March of this year.

No provision for taxation and State's share of profits was necessary for 1975 and no tax liability is anticipated during the current year as your company still has a large outstanding balance of capital expenditure ranking for redemption.

DIVIDENDS

Members were advised in December that the board had decided to postpone the resumption of dividend payments until the financial implications and arrangements inherent in the proposed expansion plans had been finalised. It remains your board's intention to recommence dividend payments as soon as it is practicable to do so, but such payments must be related to the magnitude of the capital expenditure programme planned for the years ahead.

ACKNOWLEDGEMENTS

I should like to place on record our acknowledgement of the vital role played by the management and staff of NUFCOR in assisting your board in its negotiations with potential purchasers of uranium.

In conclusion, I wish to express the board's appreciation of the excellent services rendered by the general manager, Mr. R. D. Wolff, the mine staff, the consulting engineers and the technical and administrative staffs at head office. The Cooke No. 1 Shaft was brought to full production during 1975 despite the sharply reduced availability of underground labour and the underground staff associated with this achievement are to be particularly commended in this regard.

Johannesburg 28th April, 1976

The Annual General Meeting of members will be held in the Board Room, Consolidated Building, Corner of Fox and Harrisons Streets, Johannesburg on 14th May, 1976 at 11.15 a.m.

ACCOUNTANCY APPOINTMENTS

CJA RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

NEW ISSUES EXECUTIVE

KUWAIT **Up to U.S. $60,000**

A LEADING KUWAITI INVESTMENT COMPANY

As part of an expansion, this position has been created. We invite applications from candidates who have acquired not less than eight years' investment/merchant banking experience. Such experience should include all aspects of new bond issues and syndicated loans. Responsibility will include negotiating, setting up of syndications, documentation, etc. Reporting to the Manager of the New Issues Department, the successful candidate will be responsible for training local staff. Initial salary negotiable up to U.S.$60,000 — car, home leave passages, assistance with removal expenses. Applications in strict confidence, under reference NIE3694/FT, to the Managing Director.

An exacting appointment—a high level of autonomy will be vested in the appointee—scope for much wider responsibilities in the short/medium term

FINANCIAL DIRECTOR

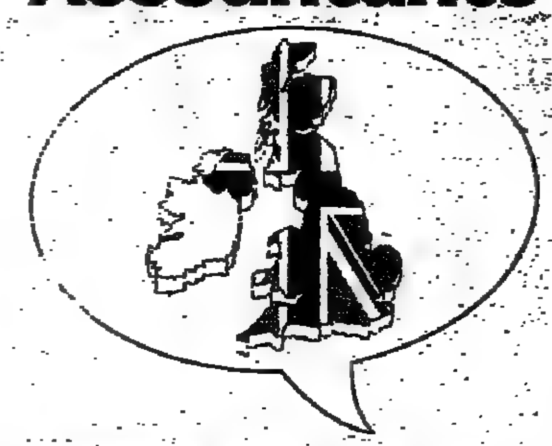
CENTRAL LONDON **£10,000 - £14,000 + CAR**

EXPANDING AND WELL ESTABLISHED COMPUTER PERIPHERALS COMPANY—T/O CIRCA £5 MILLION

Applications are invited from qualified Accountants (C.A., A.C.A., A.A.C.C.A. or A.C.M.A.), aged 30-37, who have acquired at least five years' practical experience in the commercial or industrial field in an organisation utilising modern financial management disciplines. At least two years' experience must have been acquired in the practicalities of renting and leasing of capital equipment. The successful candidate will be responsible for the efficient management of the administrative, company secretarial and financial activity and will be a vital member of the management team and expected to play a significant role in the Company's future profitable growth. He or she will liaise closely with leasing companies and the leasing money market. A strong commercial nose for profit and a clear analytical mind are key factors in this important appointment. Initial remuneration by way of high basic salary + profit sharing is negotiable £10,000-£14,000 + car, contributory pension, free life assurance, assistance with removal expenses. Applications in strict confidence, under reference FD3700/FT, to the Managing Director.

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED
35 NEW BROAD STREET, LONDON EC2M 1NH. TEL: 01-588 3588 or 01-588 3576. TELEX: 887374.

Accountants



More say in the Nation's business

Today, national business problems are more pressing and more complex than ever before, and economic planning and control are seen as fundamental to future prosperity. For the accountant in Government Service, this situation means an increasingly influential voice in national decision-making — and much more demanding responsibilities.

For example, the responsibility for tackling major financial issues in the key areas of Industry, Energy, Prices and Consumer Protection, and Trade, falls to a central accountancy unit. Here, the work of accountants ranges from studying restrictive practices to costing energy supplies, from appraising company viability to negotiating EEC company law. And when it comes to deciding action, their work carries a great deal of weight — more weight than many private sector accountants can expect at any stage of their career.

Starting salary (in London) can be up to £6675; and promotion to Chief Accountant, at a salary rising to £8225, could come after about two years.

These vacancies are in London; there is also one in the regional office in Manchester. Appointments are pensionable and can be permanent; for a fixed period, or (in appropriate cases) on secondment terms.

Candidates must be Chartered, Certified, Cost and Management, or Public Finance Accountants (preferably under 40), ambitious and commercially minded. Professional office experience is highly desirable.

For further details and an application form write to the Civil Service Commission, Alencon Link, Basingstoke, Hants, RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours) or London 01-839 1992 (24 hour answering service). Please quote ref: G(D)590/5

DEPARTMENT OF INDUSTRY

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The Michael Page Partnership.
9 Clifton Road, London, W.9 1SZ
Tel.: 01-286 7388/9.

Paris Salary Negotiable

FINANCIAL CONTROLLER — EUROPE

Top Financial Executive required to join European management team of leading company in the music field. Reporting to the Vice-President Europe he will be responsible for the supervision and development of the financial control and management information systems in some 14 countries in which the company operates.

Basic requirements:

- EEC citizen or holder of current French work and residence permits.
- Chartered or certified public accountant or business school graduate.
- Extensive relevant experience in one or more international companies.
- At least one Continental European language in addition to English.

Proven management ability and sound commercial judgment are more important than age, however, candidates under the age of 33 are unlikely to have acquired adequate experience.

Salary and benefits commensurate with the responsibilities of this key position.

Comprehensive career details and indication of salary required should be sent to:
Box No. F.419, Financial Times,
10, Cannon Street, EC4P 4BY.

Lloyds & Scottish Limited

GROUP FINANCIAL CONTROLLER

Lloyds and Scottish Ltd., a public company, is a leading UK financial group operating in the fields of instalment credit, leasing, invoice factoring, television renting, retailing of electrical goods and the distribution of capital equipment. The Group has grown from a gross asset value of £130 million in 1966 to its current value of over £350 million and profit before tax in 1975 was in excess of £13 million, a record for the group.

The Board has decided to strengthen the group finance function by the creation of the new post of Group Financial Controller. Reporting directly to the Group Financial Director, the job will carry responsibility for budgetary and financial control of the group, for taxation matters, and for the development and evaluation of investment opportunities. Candidates, who may be men or women, are unlikely to be less than thirty years of age, and should have in-depth experience, at a senior level, of financial and budgetary control with a large or medium-sized group. An alert and agile mind is essential, allied to a demonstrated ability to evaluate situations from a business as well as a purely financial viewpoint.

The job requires some knowledge of U.K. corporate tax structure, in addition to the relevant accountancy qualifications. This is a senior appointment with a major and progressive group and only candidates of a high standard are likely to be acceptable for this demanding role. Salary will be negotiated at an extremely attractive level, and is unlikely to prove a barrier to candidates with the right experience and qualifications. A car is provided, and fringe benefits, which include BUPA membership, are generous. The job is located at the Group Heaquarters in Edinburgh. Assistance with relocation expenses will be provided and subsidised mortgage facilities are available.

(Personnel Services ref: AA45/5594/FT)

The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Personnel Services
Hyde Park House, Knightsbridge, London SW1X 7LE
Tel. 01-235 6060 Telex: 27874

A member of PA International

ASSISTANT CONTROLLER

Young ACA **to £5,500 + Bonus**

My client is a Major Firm of Stockbrokers in The City. It intends to recruit a replacement for the present Assistant Controller, who has been promoted to another area of the business.

He/she will be a young financially-biased ACA in the mid 20's, who has worked in a medium or large practice, or has relevant City experience.

He/she should have a general knowledge of computerised systems, as the immediate priority of the department is the completion of the installation of a fully integrated financial and management reporting system.

This is a challenging opportunity for the right person.

Please send a full C.V., with contact telephone number, to the Firm's Adviser, Peter Wilson, ACA, at Dormers, Kiln Way, Grayshott, Hindhead, Surrey.

TAXATION ADVISER

London to £8,000 + mortgage facility

Our client, a major life insurance company, now wishes to recruit a Taxation Adviser, (male or female). Responsibilities will include liaison with Marketing and Direct Sales staff on current and future legislation and all other taxation matters which affect the sale of life insurance products, as well as general tax planning advice for some clients.

Candidates for this appointment should have a legal and/or accounting background allied to substantial tax experience, and are likely to be aged 35+.

This appointment is open to male or female applicants.

For further information and a personal history form contact Michael Shattock B.A. (Econ) A.C.A. or George Ormrod B.A. (Oxon) quoting reference: 1549.

Douglas Llambias Associates Ltd.,
410 STRAND, LONDON WC2R 0NS.
TELEPHONE 01-836 4086.
3 COATES PLACE, EDINBURGH EH3 7AA.
TELEPHONE 031-225 7744
COMMERCE & INDUSTRY

Financial Controller

LONDON c.£7,000 + pension scheme

Our client, a public company with an excellent profit record, requires a Financial Controller for one of its subsidiaries based in the City, a well known and highly respected group engaged in shipping, forwarding, air freight, haulage, warehousing, travel, etc. There are offices in the U.K., on the Continent and in the Middle East.

A Chartered Accountant, aged 28-32, is required to take responsibility for Group accounting and financial reporting of the U.K. and overseas operations. The person appointed will report to the Managing Director and will occasionally be required to visit European and Middle East subsidiaries for short periods. Previous experience in a similar industry would be ideal but evidence of real achievement and a commercial outlook is more important.

Applications to:
H. T. J. Angell.
Russell Limebeer Associates,
2, Broad Street Place,
London EC2M 7EP 01-588 3504

RL

FINANCIAL CONTROLLER

(Director Designate)

London West End **c.£10,000 + car**

Our client, a very profitable Group of Companies in the entertainments industry now wishes to recruit a Financial Controller (Director Designate).

Reporting directly to the Deputy Group Managing Director the responsibilities will cover all aspects of financial control. Considerable emphasis is laid on the ability to manage in a dynamic and youthful environment and the successful candidate will supervise an accounting team of some 18 people, including 4 qualified accountants. The accounting systems are part computerised and the job will entail the further development of financial and management information systems.

Candidates for this appointment should be qualified accountants (male or female), aged probably 28-33, who can demonstrate the requisite blend of financial and managerial skills. Prospects are excellent, including possible Company flotation, and the emoluments' package will be generous.

This appointment is open to male or female applicants.

For detailed information and a personal history form contact Michael Shattock B.A. (Econ) A.C.A. or Ronald Vaughan A.C.M.A. quoting reference 1550.

Douglas Llambias Associates Ltd.,
410 STRAND, LONDON WC2R 0NS.
TELEPHONE 01-836 4086
3 COATES PLACE, EDINBURGH EH3 7AA.
TELEPHONE 031-225 7744
COMMERCE & INDUSTRY

FINANCIAL ACCOUNTANT

London W.1. **£5,000 +.**

International Company with world wide operations is seeking a young qualified accountant with good commercial experience. The person appointed, who will report to the Chief Executive, will be responsible for the entire accounting function and will produce annual budgets, cash flow forecasts and management and financial information. Excellent career prospects, contributory pension scheme and other benefits. *Please apply with C.V. to Box A5538, Financial Times, 10 Cannon Street, EC4P 4BY*

Financial Director (designate)

East Midlands ***£8000 plus car***

Machine tool manufacturers specialising in drilling machines are looking for a qualified accountant of the calibre to justify promotion to the Board of this private company within twelve months.

Responsibility will be to the Chairman for the accounting and finance functions, for advice on financial policy, and for general administration of a company employing 500 people. Preference will be given to candidates, probably between thirty-five and forty-five years of age, with

- substantial experience of financial control in the engineering industry particularly if this has been gained in a company making machine tools
- practical acquaintance with the negotiation of ECGD contracts
- the ability to contribute to corporate thinking and business strategy at board level.

Salary £8000 plus car. Location East Midlands. The company will contribute to whatever re-location costs are incurred.

Please write in confidence for a description of this job and an application form to David Prosser, Price Waterhouse Associates, Southwark Towers, 32 London Bridge Street, London SE1 9SY, quoting MCS/3544.

Figureheads

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Telephone or write:
Carolyn Hackney,
DUKES CAREERS,
21 Liverpool Street,
London, E.C.2.
01-283 3881/6

Group Financial Controller

Tehran **c. £15,000 equivalent**

Our clients are a well established and profitable company group mainly involved in manufacturing, marketing and importing a range of packaging materials and pharmaceuticals. Group turnover is currently around £7 million and appreciable expansion is planned for the next few years. A new post has been created for a Group Financial Controller. Reporting to the Group Financial Director he will be required to devise and introduce systems with a view to co-ordinating all the subsidiary companies accounting information for presentation to the Group Board of Directors.

He will also advise them on all aspects of the management of financial resources.

Applications are now sought from qualified accountants aged 30–40, who have substantial relevant experience at senior level. In addition to an attractive salary, which is paid locally, the company will take out a lease on a suitable apartment and make a substantial contribution to its rent. Other conditions of service include assistance with car purchase and private medical insurance. Travel entitlements and the reimbursement of freight costs will depend upon marital status and will be the subject of discussion with the successful candidate.

Please write in confidence to R. Varvill or telephone for a personal history form quoting reference V/852/7.

P-E Consulting Group Limited Appointments Division
Park House, Egham, Surrey TW20 0HW. Tel: Egham 4411

Accountancy Appointments appear every Thursday Rate £10.00 per single column centimetre.

TREASURER

LONDON **c. £7,500**

THE COMPANY: Part of a world-wide group with a range of interests in power engineering. The London Head Office is responsible for £multi-million contracts in the UK and overseas as well as UK manufacturing facilities.

THE JOB: Primarily, the position is concerned with the effective management of company liquidity. This will involve responsibility for day-to-day cash management, bank and ECGD liaison. The Treasurer is required to vet the financial aspects of tenders and contracts; this may involve a certain amount of foreign travel. The Treasurer reports to the Financial Director.

THE TREASURER: A shrewd, commercial character, 30'ish and preferably professionally qualified. It is essential that he/she has experience of financing negotiations with banks and the ECGD; experience of contract and tender negotiations is an advantage.

Applications to E. S. Moore,

Reginald Welsh & Partners Limited.
Accountancy & Executive Recruitment Consultants
123/4 Newgate Street, London EC1A 7AA. Telephone 01-600 8387
or 91 High Street, Evesham, Worcs. Telephone 0386 45406

هكذا صدالأصل

ENERAL APPOINTMENTS

GENERAL APPOINTMENTS ALSO APPEAR TO-DAY ON THE FOLLOWING PAGE

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:d firm of brokers institutional contacts for a young but experienced sales- cellent prospects and nsibility to the right Applicants should nplete confidence giv- of education, career, osition and salary. .5530, Financial Times, n Street, EC4P 4BY.

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DITY VACANCIES

OILS TRADER (based stantial salary neg.). TRADER (Salary neg.). TS (Commodities and ice, S.W.1 and E.C.2 000). FLOOR TRADER salary neg.). BACK RK (for Commission c. £3,500). SHIPPING W.10 area, salary ASSISTANT ACCOUNT- res, c. £3,000).

rite or Tel.: USE APPOINTMENTS, wport Street, London, (01-) 836 2377. t specialists for the odity Markets.

ECTOR Textile Converter, firm with £200,000, plus rowing sales, particularly Europe. Applicant needs experience in production ontrol, quality control and ent. Experience in design seful. Long term career ith potential equity parti- nd curriculum vitae and to Box A.5535, Financial nnon Street, EC4P 4BY. d confidentially.

ANK seeks control clerk 3 years foreign exchange lary negotiable. Ring 01- xt. 264.

Appointments pear today on llowing page

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N. M. Rothschild & Sons Limited

Latin America

N. M. Rothschild & Sons Limited are rapidly expanding an already well-established business in Latin America.

They are seeking to add to their London-based staff an executive of proved accomplishment and technical knowledge, as well as practical experience of the area. The person appointed would join the International Division and would report directly to the Directors responsible for the bank's Latin American business.

The nationality of the applicant is not a major consideration but he must be fluent in English and Spanish and preferably have some knowledge of Portuguese. Above all he should be capable of carrying through technical operations himself, both in support of offices and affiliates in Brazil, Mexico and Venezuela, and elsewhere in the area. Although based in London he would travel extensively.

Conditions of employment would be commensurate with the importance of the post.

Application in strict confidence to:
Peter Fane,
N. M. Rothschild & Sons Limited,
New Court, St. Swithin's Lane,
London EC4P 4DU

Director General

The British Textile Employers' Association

The British Textile Employers' Association functions as a trade association and as an employers' organisation. Its main activities are to represent its members' interests at Government, E.E.C., and International level and to negotiate wages and conditions within the textile industry (Cotton, Man-made and Allied Fibres). The Director General is responsible for advising on policy and for implementing the decisions of the Central Committee as expressed through the Honorary Offices of the Association. Assisted by an experienced and effective Headquarter's team, based in Manchester, he or she will be expected to maintain the efficiency of the Association and its administration, develop services to members and ensure that meaningful communications are maintained within the Association and with trade union representatives. Since an important aspect of the job is that of spokesman for this sector of the industry, previous experience of presenting members viewpoints to government departments, other trade associations and the media, is highly desirable. Such senior level experience may have been gained in the textile industry or within a similar trade body. The preferred age is 40-55. A working knowledge of French or German would be advantageous. Salary is negotiable around £10,000 plus car and usual fringe benefits.

(Personnel Services Ref: GM33/5587/FT)

The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE Tel: 01-235 6060 Telex: 27874

PA

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VDK

F.M.O.

DE NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ VOOR ONTWIKKELINGSLANDEN N.V., gevestigd te 's-Gravenhage, heeft ten doel een bijdrage te leveren aan de ontplooiing van het bedrijfsleven in ontwikkelingslanden in het belang van de economische en sociale vooruitgang van deze landen. De vennootschap tracht dit doel te bereiken door het verlenen in verschillende vormen van (financierings) hulp, o.m. voor rekening en risico van de Staat der Nederlanden.

De aandelen der vennootschap zijn bij de Staat der Nederlanden en bij het bedrijfsleven geplaatst.

In opdracht van de Raad van Commissarissen, waarin de overheid, werkgevers en werknemers zijn vertegenwoordigd, zoeken wij - in strikt vertrouwelijke sfeer - contact met gegadigden voor de functie van

algemeen directeur

In overleg met de Raad van Commissarissen formuleert de algemeen directeur een beleid, dat in overeenstemming moet zijn met de doelstellingen van de vennootschap. Voor de realisering en de bewaking hiervan, alsook het handhaven van een efficiënte kantoororganisatie, is hij verantwoordelijk. Met de belangrijkste instanties en personen die bij de F.M.O. betrokken zijn, onderhoudt hij persoonlijk contact.

De gedachten gaan uit naar een academicus met kennis van en practische ervaring in de problematiek van het ontwikkelingswerk, alsmede met internationale financiële ervaring.

Hij moet een manager zijn, die gewend is op beleidsniveau te denken en te handelen en die door zijn kennis en kunde in staat is een team te leiden en te inspireren. Het vrij veelvuldig vergaderen en plegen van overleg verlangt onderhandelingsgave, wijsheid en tact. Kennis van de moderne talen Engels, Frans en Duits moet goed zijn.

Belangstellenden gelieven zich, bij voorkeur schriftelijk, te wenden tot de heren S. van de Kieft of drs. J. R. Pinkster, Bureau van de Kieft B.V., Herengracht 414, Amsterdam. Tel.: 020-66838*. Volledige discretie wordt gegarandeerd.

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bureau van de kieft

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nciliation Accountant

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must have had several years in Branch Account-

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Vacancies

must have considerable experience in foreign and would be responsible for supervising, and reconciliation of all accounts: daily posting, id all other accounts maintained by the foreign t.

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furniture to be provided at rental of 12½ per cent. alary payable monthly.

Inducements

of 25 per cent of basic salary and usual airfares, lowance and educational allowances. nts must hold Banking Diplomas. change rate is 1.18 Kwacha (approximately) to £1. : apply in writing and in strictest confidence with Vitae to:

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Investment Analyst for £300 million pension fund

Unilever requires a young (under 30) investment analyst for its central pensions department at the company's Blackfriars head office.

The successful applicant will be a member of a small team responsible for the equity portfolios of Unilever's UK funds of around £300 million.

A degree or professional qualification is essential, as is proven experience in the UK equity market. Familiarity with US and other overseas stock markets would be helpful.

The commencing salary will be according to experience. A number of first class company benefits also apply.

Applications giving details of background and experience to Irene Linden, Staff Department, Unilever Limited, Unilever House, London EC4P 4BQ.

Hoggett Bowers

Executive Search & Selection Consultants

Deputy Managing Director

Construction Industry

South East c £9,000 + car

Our client is an established subsidiary of a well founded public company with contracts in all sectors of the building industry. They have a substantial land bank, no liquidity problems and an excellent profit return on a current turnover of £3½m, which is expected to double in the next three years with the aid of the right applicant.

The applicant would initially be responsible for building up existing operations in Kent, but would be expected to take over operations in Sussex and Hampshire on appointment to the position of Managing Director, which is envisaged within the next three years. Appropriate experience, drive, enthusiasm and tenacity are necessary for success in this demanding environment, plus an abundance of real business acumen and common-sense. A salary of c £7,000 plus a bonus of c £2,000 are the basis of this attractive remuneration package. D.N. Clohessy, Ref: 36111/FT.

Male or female candidates should telephone in confidence for a Personal History Form to: BIRMINGHAM 021-622 2961, Albany House, Hurst Street, B5 4BD.
Offices also in Glasgow Leeds, London, Manchester, Preston, Sheffield and Australia.

Registered Representatives

Merrill Lynch, Royal Securities Limited, has openings in their London offices for experienced people.

We're looking for self-starters who are at home in the Canadian securities field: people ready, willing, and able to make a total commitment to what could be a rewarding long-time association.

Apply by written resume stating details of experience, education, income, and personal data to, or phone: R. W. Robinson, 25 Davies Street, London, W1Y 2BU. 01-499 0251.

Merrill Lynch, Royal Securities Limited

Victoria Vancouver Calgary Edmonton Winnipeg Hamilton Toronto Ottawa Montreal Quebec City Saint John Halifax Charlottetown St. John's London, England

Assistant to Finance Manager

We are a major building and civil engineering contracting company, undertaking multi-million pound contracts in many different countries.

Our Finance Manager requires an Assistant to help him with the work of:—

- the provision of Civil Engineering contract guarantees.
- the control of funds on overseas contracts and in the U.K.
- obtaining exchange control permission.
- obtaining ECGD construction works guarantees.
- the provision of banking and finance facilities.
- providing schedules and up-dating records.

Ideally, we would like someone whose experience will enable them to contribute immediately in all these areas. However, we would also like to hear from younger men and women who have a specialised knowledge of one or two of the subjects and who are looking for a greater challenge.

We offer an attractive salary, depending on experience, qualifications and age, together with good company employee benefits.

Please apply, giving full details of your education and career to:—

Gordon Betteridge, Personnel Officer,
Tarmac International Limited,
79 New Cavendish Street, London W1M 7RB.

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- will be fully aware of the individuals and organisations which are to the forefront of current management thinking.

The Rewards

- a salary and benefits which are commensurate with the seniority of this position and the specialist skills required.

The Company

- Bowker Publishing Company Ltd. incorporates the activities of Gower Press and is part of the Xerox Publishing Group.

Please apply in complete confidence to The Chief Executive, Bowker Publishing Company Ltd., Erasmus House, Epping, Essex.

CORPORATE FINANCE

Laurence, Prust & Co. have a vacancy in their Corporate Finance Department. Suitable candidates will probably have a professional qualification and also have had relevant experience either with a merchant bank, stockbroking firm or in industry. They are unlikely to be aged more than 35 and will have an ability to work with clients at top level. The right person can expect an attractive salary plus other benefits.

Please write enclosing a curriculum vitae to:

The Managing Partner, Laurence, Prust & Co.
Basildon House, 7-11 Moorgate, London EC2R 6AH

BANK OFFICERS

An International Bank has vacancies for Bank Officers at their Head Office at Luxembourg. Candidates should have a degree either in Accounting, Business Administration or Economics, or 4 'A' Levels, should have at least 4 years' experience in all round banking, including Deposits, Bills, Remittances, Documentary Credit, Investments, etc. Preference will be given to British Nationals who are prepared to work at the Bank's Head Office in Luxembourg. Salary negotiable. Candidates should apply giving full details of their age, qualification and experience along with a photograph. The preferred age for the job is between 30-40 years.

Apply to:
PERSONNEL MANAGER,
BANK OF CREDIT AND COMMERCE INTERNATIONAL S.A.,
100 LEADENHALL STREET,
LONDON EC3A 3AD.

GENERAL APPOINTMENTS

MANAGEMENT CONSULTANCY DIVISIONAL MANAGER

THE HONG KONG PRODUCTIVITY CENTRE

(Salary HK$8,000-HK$10,000 monthly)

(a) **Duties:**

The Manager will be responsible for a division providing professional management consultancy and industrial engineering services to industry in the fields of organisation including management structuring control and reporting, production planning, quality control, work measurement, process engineering etc.

(b) **Qualifications:**

Candidates, preferably aged 35-45 should be graduates in engineering or science with sound practical experience in industry combined with industrial consultancy as an essential part of this experience. Fluency in both English and Chinese.

(c) **Remuneration:**

The remuneration is rewarding—a monthly salary negotiable between HK$8,000 and HK$10,000 depending on qualifications and experience (HK$=£1 approx.)

(d) **Applications:**

Applications marked confidential No. 12M/76 should be addressed to the Executive Director, Hong Kong Productivity Centre, G.P.O. Box 16132 Hong Kong before 13th May 1976. All applications will be treated in the strictest confidence.

Senior Investment Analyst

This is an outstanding opportunity for a highly competent analyst to join one of the country's leading provincial brokers.

The successful applicant will be required to monitor a wide range of companies and may have the opportunity to assist in the marketing of his research material to private clients. Initiative and self-motivation are therefore necessary adjuncts to the ability to produce quality written material.

Career prospects are exceptional and remuneration will be sufficient to attract analysts of the highest calibre.

For full details telephone Tony Tucker on 01-405 3499

Lloyd Executive

Brownlow House, 50-51 High Holborn, London WC1V 6ER. Tel: 01-405 3499

EURODOLLAR CD and BOND SALES

Major American money market firm seeks an individual experienced in the Euro-dollar market to cover institutional accounts in the U.K. and Europe.

The salary and benefits will fully reflect the candidate's experience and potential.

Please reply in confidence to Box A.5531, Financial Times, 10, Cannon Street, EC4P 4BY.

NORTH STAFFORDSHIRE TRUSTEE SAVINGS BANK

GENERAL MANAGER

In consequence of the retirement of the present General Manager a successor is required for the general management of the Bank, under the direction and control of the Board of Trustees. The successful applicant will act as Secretary to the Board and be responsible to the Board for carrying out its policies at thirteen branches in North Staffordshire with deposits of £45 million: he will have a thorough understanding of that part of the Savings and Banking market served by Trustee Savings Banks, and have a firm grasp of sound business principles. An attractive salary and conditions of service are offered. Applications from suitably qualified persons should give details of qualifications and experience and should be sent to: The Chairman, North Staffordshire Trustee Savings Bank, Hanley, Stoke-on-Trent, ST1 1JY, by 15th May, 1976.

PRIVATE CLIENT EXECUTIVE

A major firm of London stockbrokers with international connections requires an Executive to work with a Partner responsible mainly for solicitors' accounts in the Private Client Department.

Candidates should be numerate and accurate and have the ability to write good letters. He or she should also have knowledge of Stock Exchange practice and a clear understanding of investment principles.

There are good prospects and a competitive salary will be paid. The preferred age is 25-35 years.

Candidates should submit a curriculum vitae which will be treated in strict confidence to the Managing Partner, Box A.5536, Financial Times, 10, Cannon Street, EC4P 4BY.

Financial Consultant

This new position will ideally be filled by an MBA in finance (aged 27–30) with at least two years' experience in merchant banking or financial consultancy who is fluent in either French or German as well as in English.

You would be expected to work on consulting engagement for corporate clients, and subsequently to take a management role in producing them. In addition, you will be responsible for helping to develop younger consultants. Marketing financial consulting services will eventually be shared with the head of the Financial Consulting Department to whom you will report. On average, travel will take up one week a month from the London base.

Success in this position will lead to rapid advancement and promotion could be in the UK or overseas. Salary is negotiable–and very competitive–and there is an excellent range of benefits.

Please write, with full career details, to: E. B. Powell, Executive Director, Citicorp International Bank Limited, 335 Strand, London WC2.

CITICORP

ELECTRONICS ENGINEER GENERAL MANAGER WEST AFRICA

TELETTRA SPA, world leader in the field of Multiplex Telephone Systems and Radio Relay Systems, calls for the appointment of a resident Manager in West Africa.

The main tasks and responsibilities of the successful applicant are wide ranging and extend from the management of Telettra's present activities to supervision of all Telettra commercial and technical operations in the area, discussions and meetings with senior government and service personnel etc.

Candidates aged 30-40 should have extensive commercial experience and sound engineering background in telecommunications (transmission).

Experience of living and working in tropical areas is preferred. Salary by negotiation but income and perquisites of not less than US$24,000. Free furnished accommodation and car are contemplated. Please indicate salary and allowances expected. A two-year renewable contract is offered.

Applicants are invited to send brief career details and related references to the address below.

Interviews will be arranged in Milan or in London.

TELETTRA SPA
Laboratori di Telefonia Elettronica e Radio
The Personnel Services Department Officer
Via Trento 30
20059 Vimercate — Italy
Telephone 039/66.95.51. Telex 36630

INVESTMENT OFFICER

London **Salary negotiable**

Our Investment Department requires an experienced Investment Officer, to manage international client portfolios. This position involves regular client contact. Candidates should not only have considerable experience in U.K. markets but also an ability to manage international portfolios with particular emphasis on the United States and Canada. Applicants should be in their late twenties or early thirties and possess suitable professional qualifications.

The position offers excellent staff benefits including attractive pension, life assurance and sickness schemes, and can include mortgage assistance.

Please write in confidence to:

The Manager, Personnel Department, THE ROYAL TRUST COMPANY OF CANADA, Royal Trust House, 54 Jermyn Street, London SW1Y 6NQ.

Belgian firm, member of leading financial group, seeks

TOP MAN for its Moscow Office

Job entails semi-permanent or permanent residence in Moscow.

Knowledge of Russian and English essential, French and German an asset.

Ideally experience will have been gained in technically oriented commercial field.

Terms are for individual discussion.

Write Box No. F.420, The Financial Times 10 Cannon Street, EC4P 4BY

BANK SANAYE IRAN

seeks experienced person for money market operations, preferred age 25-30, with at least 3 years' experience in either the sterling or currency deposit markets.

Salary will be based upon experience. In addition, the successful candidate will receive the usual benefits offered by an international bank.

Apply in the first instance to the Manager, Bank Sanaye Iran, 12 Eastcheap, London, E.C.3 or telephone 01-623 1345 ext. 13.

INSTITUTIONAL EQUITY SALES

Due to expansion a career opportunity exists on the sales desk of a leading stockbroking firm. If you are working in a sales/analytical capacity in an institutionally oriented firm, but consider that you could develop your career more quickly in a young and energetic team, then please come and talk to us.

Write Box A5537
FINANCIAL TIMES
10 Cannon Street, EC4P 4BY

Please list in a covering letter to the Securities Manager any firms to whom you do not wish your application to be forwarded.

APPOINTMENTS WANTED

MARKETING-MAN

Doctorate economics, four languages, internationally well connected also at diplomatic levels, experience in management consulting, international taxation, fin. offshore operations, licensing, industrial development, seeks challenging opening in the field of corporate finance, project development/project financing, merger and acquisition.
Chiffre 33-117727, Publicitas, CH-9001 St. Gallen/Switzerland

FINANCE EXECUTIVE

Chartered accountant, fifteen years commercial and professional experience Europe and Far East, speaking English and French, seeks position in a financial management, commercial administration or accounting systems development role. Now employed Brussels willing to re-locate. Please write to Box F 417, Financial Times, 10, Cannon Street, EC4P 4BY.

CLUBS

EVE, 189, Regent St. 734 0557. A la carte or All-in Menu. Three spectacular Floor Shows 10.45 12.45. 1.45 and music of Johnny Hawkesworth and Friends.

GARGOYLE, 69 Dean Street, London W.1. STRIPTEASE FLOORSHOW SEX UNLIMITED Show at midnight and 1 a.m. Hostesses. Monday-Friday. Closed Sats. 437 6455.

COMPANY NOTICES

ALGEMENE BANK NEDERLAND N.V.

(incorporated in The Netherlands with limited liability)

Final dividend for the year 1975

At the Annual General Meeting held on April 28th, 1976, a final dividend of D.fls. 11 per share was declared payable, at the option of the shareholders in shares and cash or wholly in cash, as from May 10th, 1976. In addition a share premium bonus of D.fls. 3 per share will be distributed.

Shareholders opting for the shares and cash alternative would be entitled to a share premium bonus of D.fls. 2.00 par value together with D.fls. 5.50 in cash against presentation of coupon 27. They will thus receive one additional ordinary share of D.fls. 100, for each 50 coupons No. 27 from the ordinary shares or 5 coupons No. 27 from certificates of 10 ordinary shares presented at the offices mentioned below.

As regards the additional share premium bonus shareholders will be entitled to a share premium bonus of D.fls. 5.00 par value against presentation of coupon No. 28, receiving thus one ordinary share of D.fls. 100 for each 20 coupons No. 28 from the ordinary shares or 2 coupons No. 28 from certificates of 10 ordinary shares presented at the following offices:

Baring Brothers and Co. Limited,
88, Leadenhall Street,
London, EC3.
Algemene Bank Nederland N.V.,
61, Threadneedle Street,
London EC2.

New share certificates may be distributed in the form of CF-certificates or as K-certificates with coupons 29 and following and talon attached.

Stock options as well as claims for the additional share premium bonus not exercised by 31st July, 1976, will be sold and the proceeds held for distribution to holders of coupons No. 27 and No. 28 not presented for payment by that date.

Shareholders opting for cash will be entitled to cash payments of D.fls. 11.00 per share against coupons 27.

U.K. residents who are liable to U.K. taxes on dividends paid to them and who do not carry on a trade or business in The Netherlands through a permanent establishment situated therein, may have Netherlands dividend tax reduced from 25% to 15% if the coupons are accompanied by a completed form 92VK, which may be obtained at either of the above mentioned offices.

The Managing Board.

Amsterdam, April 28th, 1976.

ANGLO AMERICAN INDUSTRIAL CORPORATION LIMITED

(Incorporated in the Republic of South Africa)

ORDINARY DIVIDEND No. 24

Further to the dividend notice advertised in the Press on the 12th March, 1976, the conversion rate applicable to payments in United Kingdom currency in respect of the above-mentioned dividend is £1 = R1.594630 equivalent to 28.71129p per share.

The effective rate of South African Non-Resident Shareholders' Tax is 15 per cent.

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
London Secretaries
D. H. J. PATTISON

London Office:
40, Holborn Viaduct,
EC1P 1AJ.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
P.O. Box 102,
Charter House,
Park Street,
Ashford, Kent.
TN24 8EQ.
27th April, 1976.

CORPORATION LOANS

TAFF ELY BOROUGH COUNCIL BONDS

Minimum £5,000

5 Years : $11\frac{3}{4}\%$

6 or 7 Years : 12%

Borough Treasurer, Council Offices, Danygraig, Llantrisant, Mid Glamorgan.
Tel: (0443) 223312, Ext. 4.

CINEMAS (Contd.)

SCENE 1, 2, 3, 4, LEIC. SQ. (WARDOUR ST.) 439 4470.
SCENE 1. Cont. Perfs. Dly. 12.30. Lte. Show Fri. & Sat. 11.55 Redford/Hoffman. ALL THE PRESIDENT'S MEN (AA). Progs. 12.30. 2.55. 5.55. 8.55. Lte. Show Fri. & Sat. 11.55.
SCENE 2. 3rd YEAR. THE EXORCIST (X). Directed by William Friedkin. Sep. Perfs. Dly. 12.30. 3.00. 6.15. 9.00. Lte. Show Fri. & Sat. 11.30.
SCENE 3. Cont. Perfs. Dly. 12.30. Lte. Show Fri. & Sat. 11.05 Charles Bronson THE STREETFIGHTER (AA). 2.15. 5.45. 9.20. BLAZING SADDLES (AA). 12.30. 4.00. 7.35. Lte. Show Fri. & Sat. 11.05.
SCENE 4. Cont. Dly. 1.00. Lte. Show Fri. & Sat. 12.00 Ken Russell's TOMMY (AA). Progs. 1.00. 3.45. 6.30. 9.15. Lte. Show Fri. & Sat. 12:00.

WARNER WEST END. Leicester Square. Tel: 439 0791.
1. James Dean in REBEL WITHOUT A CAUSE (AA). Sep progs. Wk. 1.25. 3.45. 6.05. 8.30. Sun. 3.30. 6.05. 8.25. Late show Sat 11.00 p.m.
2. REDFORD-HOFFMAN ALL THE PRESIDENT'S MEN (AA). Sep progs. Wk. 2.05. 5.05. 8.05. Late show Sat 11.00 p.m.
3. THE SELLOUT (AA) Sep progs. Wk. 2.10. 4.20. 6.30. 8.40. Sun. 3.30. 6.00. 8.30.
4. AL PACINO in DOG DAY AFTERNOON (X) Cont progs. Wk. 2.15. 5.00. 7.50. Late show Sat 11.00 p.m.

ART GALLERIES

RODNEY BROOKE GALLERY, 266, Brompton Road, S.W.3. Exhibition of Islamic Carpets. Weekdays 10.00-4.00.

COLNAGHI'S, 14, Old Bond St., W.1. 01-491 7408. PERSIAN AND MUGHAL ART until 20 May. Mon.-Fri. 9.30-5.0. Sats. 10-1.

CURWEN GALLERY, 1, Colville Place, Charlotte St., W1P 1HN. 01-636 1459. Phil Griffin new screenprints to May 7. Original lithographs by Moore, Piper, Hepworth, Richards, Scott, Frink Herman, Trevelyan, Gentleman and many others. Prices £5 to £200. Catalogue sent free on request.

THACKERAY GALLERY, 18, Thackeray St., Kensington Sq., W.8. 01-937 5883. PETER COKER—Etchings, Paintings and Drawings. Until 14 May.

LEGER GALLERY, 13, Old Bond St. Exhibition of OLD MASTER PAINTINGS. Mon.-Fri. 9-5.30.

BEDFORD HOUSE GALLERY. LINDA SUTTON PAINTINGS. 106, Kensington Church Street, W.8. 01-229 8156. Tues.-Sat. 10.00-1.00. 2.00-6.00.

ANDRE DERAIN—Sculptures in bronze—Victor Waddington, 25, Cork St., London, W.1. Daily 10-1. 2.15-5.30 Sats. 10-1. Until 22 May.

RICHARD GREEN GALLERY, 44, Dover Street, W.1. 01-493 7997. Annual Exhibition of Old Master Paintings. Daily 9.30-6.00. Sats. 10.00-12.30. Opens 4th May.

PUBLIC NOTICES

BEDFORDSHIRE COUNTY COUNCIL BILLS
£2.5m. issued April 28 1976, due July 28 1976 at a rate of $10\frac{5}{32}\%$. Applications totalled £30.25m. No other bills outstanding.

CITY OF CARDIFF
£2.35m. bills issued April 27 1976, due July 27 1976 at 10% p.a. Applications totalled £21.15m. No others outstanding.

CLWYD C.C.
£1m. bills issued 27th April due 27th July 1976 at $10\frac{1}{16}\%$. Applications totalled £4m. £3m. bills outstanding.

BARNSLEY DISTRICT COUNCIL BILLS
£1.6m. issued April 28 1976, due July 28 1976 at 10%. Applications were £4.8m. No other bills outstanding.

HAMPSHIRE COUNTY COUNCIL
£5m. bills issued April 28 1976, due July 28 1976 at 10% p.a. Applications totalled £27½m. Outstanding £17m.

STRATHCLYDE REGIONAL COUNCIL BILLS
£6m. issued April 28 1976, due July 28 1976 at 9 63-64ths%. Applications were £72.5m. £24m. bills outstanding.

MOTOR CARS

FOR QUICK SALE
ROLLS-ROYCE CORNICHE 1974
4,000 kms. only. All extras. Colour: Magenta, white upholstery, white hood. Showroom condition. Left-hand drive.
PRICE £18,000
Phone: (Paris) 607.12.21 or 607.16.43 office hours.

CONTRACT HIRE
BROMPTON GARAGE LTD. 107 Brompton Road. Self Drive car hire. Keen rates (unlimited mileage) Tel 01-589 3621

FOR HIRE
CHARLES RICKARDS Contract Hire and Leasing scheme. Most makes and models Quotations welcome. Windsor 69237

WANTED
URGENTLY REQUIRED low mileage JAGUAR, DAIMLER, MERCEDES, BMW, SPORTS CARS, VOLVO SALOONS and ESTATES. Top prices paid. Buyer will call with cash or bankers' draft. Tel. Brookwood (04867) 2201

LONDON HOUSES AND FLATS

LONDON, N.2

A fine Georgian-style residence with garden backing on to Hampstead Golf Course. 7 bedrooms. 3 bathrooms. 3 fine reception rooms, domestic offices. Separate staff flat over double garage: 3 R. + K. & B. Full oil-fired C.H. Lease 960 years. G.R. £75.

Price on application

BLAKE & CO.
01-434 1273

PERSONAL

AIR CALL—the Bleeper people get you when you're needed city wide. Ring 01-834 9000.

CONTRACTS AND TENDER

SCOTTISH DEVELOPMENT DEPARTMENT

THE LONDON-EDINBURGH-THURS(TRUNK ROAD A9 TORE TO DUNCANSTON

The Secretary of State for Scotland proposes to invit
from experienced contractors for the construction of
section of Trunk Road in the Highland Region on t
Isle from Tore some 9km northwest of Inverness n
to Duncanston 2km southeast of the Cromarty Firt

The construction is of some 4.8km of 7.3m wi
carriageway in either flexible or rigid pavement at
of up to 165m above sea level. Also included are
and other ancillary works. Approximate cost of
is £1.4m.

It is hoped to issue contract documents about
and the contract period will be 15 months.

Contractors wishing to be considered for inclusi
list of firms to be invited to tender for this contra
apply to The Secretary, Scottish Development Departn
Building, 2 Roseburn Gardens, Edinburgh EH12 5NJ
than 24 May 1976 quoting reference RUP 34/5/1.
invitations to tender will be extended to selected c
and the necessary tender documents and drawing
issued by Crouch and Hogg, Consulting Engineers,
side Crescent, Glasgow G3 7UU stating when the te
to be returned.

The intention is that tendering should be res
firms of proven capacity and experience who at the
be in a position to submit genuinely competitiv
Contractors who because of other commitments or for
reason do not apply to be considered for these works
any way prejudice their eligibility for consideration
similar contracts. This scheme is also being
through the medium of the Official Journal of the
Communities.

SCOTTISH DEVELOPMENT DEPARTMENT

THE LONDON-EDINBURGH-THURS TRUNK ROAD A9 CROMARTY BRIDGE

The Secretary of State for Scotland proposes to inv
from experienced contractors for the construction
across the Cromarty Firth some 4km east of Din

The construction, which will be in tidal wate
1.46km long bridge, carrying a single 7.3m carri
joining rock filled causeways which have already
structed. The bridge comprises 68 spans of
consists of pre-stressed pre-cast concrete beams with
reinforced concrete deck supported on reinforced
piers comprising twin columns and a pre-cast cap
Alternative foundation arrangements consist of
concrete friction piles capped at bed level or pal
diameter cylinder piles extended above water level
the capping beam. Approximate cost of the work

It is hoped to issue the contract documents
mately June 1976 and the contract period will be

Contractors wishing to be considered for inclu
list of firms to be invited to tender for this cont
apply to The Secretary, Scottish Development Depar
Building, 2 Roseburn Gardens, Edinburgh EH12 6N
than 24 May 1976 quoting reference RUP/32/5/1.
invitations to tender will be extended to selected
and the necessary tender documents and drawin
issued by Messrs. Crouch and Hogg, Consulting En
Woodside Crescent, Glasgow G3 7UU stating when
are to be returned.

The intention is that tendering should be r
firms of proven capacity and experience who at th
be in a position to submit genuinely competiti
Contractors who because of other commitments
other reason, do not apply to be considered for t
will not in any way prejudice their eligibility for co
for future similar contracts.

This scheme is also being advertised through t
of the Official Journal of the European Commun

Port of Bar Enterprise—Bar has obtained a loan from
national Bank for Reconstruction and Development of
for expansion of port capacities. Procurement of
which is subject of this international bidding shall
out out of the proceeds of the granted loan.
The enterprises from Yugoslavia, from member coun
International Bank for Reconstruction and Developmer
Switzerland are *entitled to participate in this*
bidding.

The Port of Bar Enterprise—Bar, Yu

advertises

PUBLIC COMPETITIVE BIDD

for manufacture, delivery and erection of bulk carg
equipment:
1. Portal 12-16 Mp Electrical Tower Cranes .... U
2. Grabs, various types .... U
3. Bulldozers .... U
The Bidder may offer supply of entire equipment or
of particular item.
Deadline for commissioning of equipment stated un
and 2 is July 1, 1977, and for equipment stated un
February 1, 1977.
The bids shall be received in the Port of Bar Enter
struction Department, Bar, not later than June 21,
o'clock local time. Opening of the bids will be car
11 o'clock of the same day.
The Bids shall be prepared in compliance with Cont
ments which may be obtained in Port of Bar Enterp
Bar, or in Branch Office of the Port of Bar Enterp
Belgrade, Sremska Street 2, after made payment of D
—to current account No. 20130-601-11630 with SDK Be
bidders, i.e. US$350,—to foreign exchange account No.
37-32000-000/25 with Investment Bank of Titograd f
bidders. All informations are obtainable by telephone
in Bar and 011/635-268 in Belgrade.
The Port of Bar Enterprise will make decision on selec
most advantageous bidder within 90 days period.
PORT OF BAR ENTER

GREATER LONDON COUNCIL DEPARTMENT OF PUBLIC HEALTH ENGINEER THAMES BARRIER PROJECT CONTRACT 7A FOR GENERATING PLANT

The Greater London Council intends to invite tenders for th
installation of the complete generating plant for the above projec

Construction of the Barrier has commenced and is due for
1980. The Contract for the generating plant will be awarded
1977. The plant has to be delivered to site for erection to
October 1979. Tenders will be invited during February 1977 an
ing period will be two months.

Firms who wish to be considered for inclusion in the list of tenderers
invited to apply in writing before 21st May, 1976, to the Consult

RENDEL PALMER & TRITTON
Southwark Bridge House
61 Southwark Street
London SE1 1SA

giving an outline description of their organisation, capabilities an
On receipt of this information, the Consulting Engineers will sen
firms further details of the project and pre-tender questionnaire.

The Contract will comprise the supply, installation, testing and
of three 1,500 kW turbo-charged diesel generating sets operati
volts, 3 phase, 50 Hz with crank-shaft speeds of not less than
not greater than 1,000 rpm. Twin banked engines incorporating
boxes will be considered but engines incorporating external ge
not be acceptable.

The sets are to be provided complete with exhaust systems, co
starting equipment, alternator and control panels with instrum
provision for synchronising equipment, local cable and pipe con
tanks and pumps, and all auxiliaries.

Civil Engineering works will be provided under another Contract.

BOOKS

the Floss BY C. P. SNOW

: The Emergent
by V. Redinger.
l, £6.95. 541 pages

of literary person- done better in our before. However, mpletely solved a m. Which is that personages interest place because of te: it is as a con- we begin to pay eir lives. So ought spend much of his works themselves? to perform as a . Or is he to let fe take over?

ographers have, as pected, produced different answers. few examples—all ce a high propor- inest literary bio- he last 30 years itten by American en almost at Edgar Johnson's kens and only splendid Scott he the story reaches publication of an rk, a chapter of ut it. Compared tual investigation evoted to the life these critical ther ordinary, but earn their keep. wis, whose *Edith Wharton* was the most accomplished literary biography of 1975, scatters critical comments right through the text. He is not such a massive biographical historian (and detective) as Johnson, but a more delicate critic. Gordon Haight, after his classical edition of George Eliot's letters, produced a compact and authoritative biography from which criticism of any kind was strictly banished.

You pay your money and you take your choice. Now Professor Redinger has written a kind of biography of George Eliot which is different in form from any of these examples. It is not a complete life story. Except for a perfunctory epilogue, it finishes just after the publication of *Felix Holt, The Radical* in 1866 (*Middlemarch* was still to come and George Eliot died in 1880).

Professor Redinger has her own specific purpose. She is trying to weave the deep emotional experiences of George Eliot's early life—in particular her intense family ties to father and brother—into what later was expressed, and sometimes sublimated, in art. All Professor Redinger's interpretation is carried out with subtlety, a lot of psychological common sense, and above all knowledge, both scholarly and intuitive, of how writers actually write. Notice the beautiful treatment of how the love between George Eliot and her brother Isaac—probably always stronger on her side than his, and by him cut off dead when she went away with Lewes—was transmuted into the relation of the Tullivers in *The Mill on the Floss*. It is not surprising that Professor Redinger's book has received high praise from people who are not usually swept over. It is necessary reading for anyone wishing to learn about George Eliot.

There is one weakness, which maybe is an inevitable result of Professor Redinger's process. It does lead to a certain degree of inflation, or to making George Eliot seem altogether more exalted than any writer who ever lived. Against this I find myself reacting, no doubt over strongly, and I had better make a literary confession.

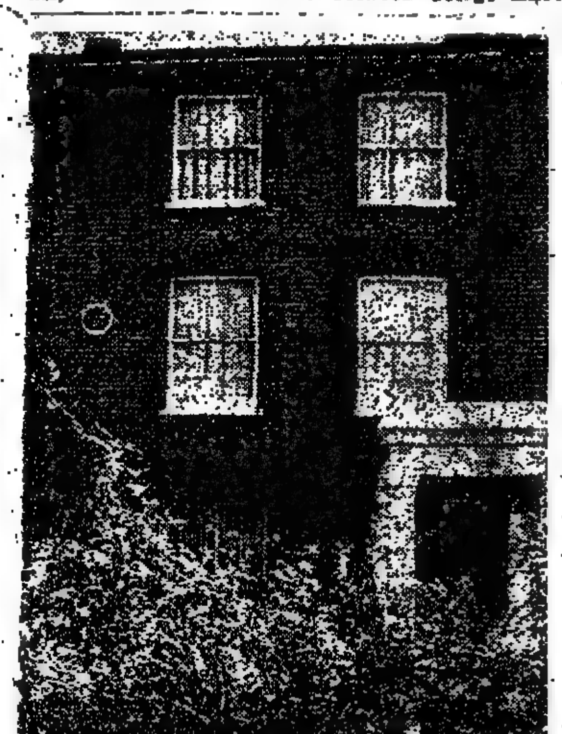
I am not a total root-and-branch devotee of George Eliot. I admire her very much, but from a distance. She has most of the qualities I value in a novelist. She acquired immense experience, and learned much about individual people and about society. No novelist in the language—and I can't think of one in any other language—ever had a more powerful intellect. As what might be a minor attraction for me, she came from my native part of England and my own grandfather could easily have been one of the superior artisans in her books. She ought to have a place in my private pantheon of half-a-dozen supreme novelists: but she hasn't quite.

I have often wondered why not. She sometimes wrote, like Thomas Mann, about whom I feel a similar reserve, with singular heavy footedness. Who else would have thought, as a title, of *St. Ogg's on the Floss*? Still, that wouldn't normally put me off. I don't find her funny. It is all rather too much like a comedian announcing that he is going to make a joke. But I can put up with worse things than that from the great geniuses.

I think that, in the end, I feel in her a lack of introspective insight, or at any rate of introspective candour. It is possible to over-value those gifts, I suppose, but I am not easy with a writer who doesn't possess them. I don't like the religious hush with which her court surrounded George Eliot. Professor Redinger says that she deprecated it and laughed at it herself. I am not entirely convinced. That kind of veneration can be broken by anyone who doesn't—in their secret heart—welcome it.

Somehow she does appear to have created special laws for herself, and to have believed in their special applicability to herself. Lewes, one of the sweetest natured men on the Victorian literary scene, assisted, but he was completely subjugated by her heavyweight temperament.

One curious illustration is the way in which the pair of them cut away from her publisher John Blackwood in order to get more money (for *Romola*) from George Smith. It wasn't exactly sharp practice; it was discourteous, unfriendly, and mildly unscrupulous. Plenty of writers have done such things. What is irksome is the level of moral self-esteem at which this was done. She was a major writer and a woman of gigantic character: but it would have been a help if she could have accepted that in a few respects she was no different from everyone else, no more inflated, no better and no worse.



, 31 Wimbledon Park Road, SW18, where George 1895—one of Julian Plowright's photographs in "The Guide to London Homes" by Martin Hall (Queen Anne Press, £5.95)

ECONOMIC INDICATORS

Unit	1976 Apr.	1976 Mar.	1976 Feb.	1975 Apr.	1975 Mar.
'000s	1,281.1	1,284.9	1,304.4	889.7	788.4
'000s	119.7	109.0	99.5	173.4	178.0

Unit	1976 Mar.	1976 Feb.	1976 Jan.	1975 Mar.	1975 Feb.
$bn.	5.905	7.024	6.785	7.117	7.064
£bn.	14.080	14.317	14.488	n.a.	n.a.
1970=100	273.2	263.4	261.0	221.9	218.8
1970=100	208.4	207.2	204.8	179.0	175.9
1970=100	81.4	81.3	81.0	78.1	78.0
Jan. '74=100	150.6	149.8	147.9	124.3	121.9
July '72=100	206.5	205.1	200.8	161.1	158.8

Unit	1976 Feb.	1976 Jan.	1975 Dec.	1975 Feb.	1975 Jan.
1970=100	189.6	193.2	186.4	166.7	165.8
£m.	2,296	2,299	2,320	2,284	2,303
1970=100	101.4	100.5	98.8	105.0	105.5

Unit	1976 Mar.	1976 Feb.	1976 Jan.-Mar.	1975 Mar.	1975 Jan.-Mar.
£bn.	1.926	2.005	1.961	1.687	1.769
£bn.	1.907	1.759	1.814	1.568	1.530
£bn.	−0.019	−0.246	−0.146	−0.119	−0.239
'000 tonnes	453.6	450.1	432	492.7	484.2
'000s	121	134	117	112	119
'000s	32.5	33.3	32	34.1	37

Unit	Feb.	Jan.	Jan.-Feb.	Feb.	Jan.-Feb.
millions	415	438	427	396	399
'000 tonnes	282	257	270	312	296
'000s	172	176	174	234	248
'000s	414	443	428.5	301	353
m. kgs.	52.32	53.33	52.8	42.6	42.39
'000s	23.2	23.9	23.5	22.1	22.2

Unit	1976 Jan.	1975 Dec.	1975 Jan.-Dec.	1975 Jan.	1974 Dec.
1970=100	160	149	154.8	149	134
m. tonnes	7.08	7.73	6.72	8.33	8.34
1970=100	92	79	94	93	83
'000s	63.2	63.7	78.8	80.2	75.0
'000s	70	40.5	77.9	83.9	55.7
1970=100	97	99	111.3	125	128

Unit	1975 Dec.	1975 Nov.	1975 Jan.-Dec.	1974 Dec.	1974 Jan.-Dec.
'000 metric tonnes	1.70	2.32	2.09	1.91	2.26
m. kilos	9.3	9.7	9.2	7.7	9.4
£m.	27.3	28.4	25	20.9	20.9

Unit	1976 1st qtr.	1975 4th qtr.	1975 1st qtr.	1975 Year	1974 Year
£bn. 1970 values	8,870g	8,804	9,041	35,413	35,607

Unit	1975 4th qtr.	1975 3rd qtr.	1975 Year to date	1974 4th qtr.	1974 Year
1972=100	153	151	146.5	121	119
£bn.	2.958g	3.056	12.017	2.556	10.220

Deliveries. ‡ Net sales. § Consumption. ** Seasonally manufacturing industries. ‖ Excluding car radios. .K. made and imported sets. h From May, 1975. sis of calculation refers to advances to U.K. public or. Historical figures on new basis not available. uding cooker griller toasters. e Value of output. m not seasonally adjusted. g First preliminary

Eden at Aldershot in 1915 aged 18—one of the photographs in the book reviewed below

Long ago BY REX WINSBURY

Another World 1897-1917 by Anthony Eden. Allen Lane, £3.95. 156 pages.

What is one to make of this short and deceptively simple *recherche du temps perdu*? Lord Avon recalls with unfussy nostalgia the years of his childhood on the great country estate in County Durham that was his family home: then recollects in tranquillity the horrors of the First World War, from which he emerged alive and a Brigade Major by the time he was twenty.

At one level, it is autobiography at its best—lucid prose, clear memories, a vanished world of the rich proconsular dynasties of the British empire on their feudal, orderly fields of England, and then the destruction of those dynasties on the fields of the Somme and Messines, where Eden fought and survived, while two of his three brothers perished, one at Ypres, one at Jutland.

At another level, it bristles with questions, about Anthony Eden himself, about the class from which he sprang. How could a man say of himself (to quote the concluding and in their way moving words of this memoir) "I entered the holocaust still childish and I emerged tempered by my experience, but with my illusions intact, neither shattered nor cynical, to face a changed world"? Illusions intact, not even cynical, after all that?

Again, there is no hint of criticism of the officers and generals of the British army, despite the appalling destruction of the Yeoman Rifles that Eden helped to recruit, train, and lead into battle and decimation. The officer corps was of course his peer group, and he went hunting with them behind the lines in the intervals between battles (as Eden candidly narrates, perhaps not even realising the irony of it).

And if survival in the holocaust was a matter of Fate drawing its lots, the case of his one brother who survived is simple enough—he was in Germany at the outbreak of war, and was interned. But what of Anthony Eden himself? He was for much of the war an adjutant, or posted to Army headquarters, and even though he saw his share of battle and was awarded the MC in 1917, this must have shortened the odds in his favour. But was he, is he, a natural adjutant rather than a leader of men? His critics, unforgiving over the Suez episode, and pointing to his long association with Churchill, will take that point of view.

But perhaps all these questions, while legitimate enough, ignore the most fundamental virtue of the boo kas a book which is precisely that the author does not pass judgment on anyone or anything. This is how it was, he says: let others judge if they will. Just because he does not judge, such people as his father (a painter and collector of paintings who took little interest in his sons but a passionate interest in the adornment and upkeep of his estate) and his mother (a beautiful, aristocratically unpunctual daughter of a Governor of Bengal) and a host of other characters come naturally to life. Judgments may have confused the picture, clouded the memory.

This is therefore something more than a mere prologue to the three-volume Eden Memoirs, which tell of his subsequent political career. It is a window offering a direct glimpse of that vanished world such as few men still alive can show us.

Fiction

Butler and bomber BY ISABEL QUIGLY

Sadler's Birthday by Rose Tremain. Macdonald and Jane's, £3.50. 190 pages

The Beginning by David Markish. Translated by Michael Glenny. Hodder and Stoughton, £4.50. 287 pages

The Agents of Love by Rudolf Nassauer. Cape, £3.95. 208 pages

Sadler's Birthday is a first novel of remarkable talent: never a foot set wrong in all its reticent narrative. And it takes life at several social and affective levels, which is hard for most novelists and rare indeed in a first novel, that almost invariably effusive and autobiographical piece of self-indulgence. Effusive is the last word for *Sadler's Birthday*, or for Sadler himself, an aged butler living out his last years alone in the big house his employer's wife left him. In that halfway house between social worlds that was, till not so long ago, the servants' hall, Sadler has spent a busy, lonely life, from the smallest of under-footmen at 14 to butler at maturity; he has even in a worldly sense done well, ending his days as a large property owner, though with no one to whom he can leave his property.

The narrative goes round and round, between past and present, back and forth and sideways too, as people remember, or as they keep their secrets, as they sometimes do in real life; and we see deep into a number of uncommunicative lives—Sadler's, and the Colonel's, and the Colonel's wife's; and there is also the one person Sadler really loved since childhood, the evacuee boy Tom, who is the only one seen from outside, as Sadler sees him, and remains everlastingly mysterious and indifferent. There is a beautiful balance between involvement and detachment; it is a finished novel, satisfactorily arranged, satisfyingly created.

The Beginning is another first novel, and this time, since its plot tallies closely with the author's life and circumstances, one suspects autobiography—though that can take plenty of forms. In real life the author's father was, like the father of his young hero Stephen Ashkenazy, a Jewish intellectual arrested under Stalin, never to be seen again; and, like the Ashkenazy family in the novel, the Markish family was exiled from Moscow after the father's arrest and spent nine years in central Asia, until his posthumous, tardy "rehabilitation." Simon is 15 when the family is dumped in a village of strangers thousands of miles from home, but far from dreading the upheaval he sees the steppes around him as opening up full of promise.

The story is, in fact, a tale of adolescence, of new awakenings, rather than directly one of suffering and oppression.

And yet, in the background, tyranny looms over all the lives we meet in this Stalinist period, a tyranny so close and dense and inhuman that at this distance one can scarcely envisage it—the sudden loss of wife and children, the total denial of news or knowledge of them, as of so much else, the arbitrariness of individual fate, arrest or exile merely for the fact of being Jewish. Yet David Markish got away, as Simon plans to do in the novel, and now lives in Israel, where he has re-created the oddities of Russian life, even at its most oppressed, the passionate care of people for one another, even at, officially, their most indifferent.

A thriller that makes Bond read like the Boys' Own Paper, *The Agents of Love* handles with prodigious skill an elaborate plot centred on the assassination of the Spanish prime minister not so long ago.

Complex, sour-smelling, so observant and so precise you seem to see with its eyes—which have an alarming clarity that suggests delirium or dreams—it is technically remarkable, innumerable points being made briefly and tucked away to emerge later, feelings and human connections in the same way being noted, coldly used or filed for future use, colours, forms, tones of voice, physical details of all kinds producing a nightmare exactness that is both amazing and hideous.

Of course this is far from realism—the accuracy is that of the overheated mind, the vividness beyond normal vision—yet it carries conviction of a sort in dealing with a world where violence can be patterned like a work of art, timed to explode like surprises in the plot of a novel; and when fact and fiction overlap, as they do here, 80 lbs of dynamite that send a car and its three occupants sky-high may be part of history or of the novelist's bag of tricks; like Salamander and Torture-face and the rest of them, or like the Basque terrorists or the Left-wing guerillas or whoever it was that planted the dynamite under the street in Madrid, not so long ago.

Crimes BY WILLIAM WEAVER

The Boys from Brazil by Ira Levin. Michael Joseph, £3.50. 254 pages

Die-hard, ruthless Nazis from South America. In Vienna, the elderly, tired, Nazi-hunter Yakov Liebermann. And, in between, dozens of more or less innocent, unaware victims of the diabolical Nazi plot. Not up to *A Kiss before Dying* or *Rosemary's Baby*, Ira Levin's new thriller has a good, tight plot, in spite of the wide geographical range of the story and a large cast of characters. There is a science fiction element at the end but most of the time the tone is convincingly quotidian. The writing is serviceable rather than elegant (Mr. Levin uses the verb "to cane" not in the English public school sense: he means "to assist one's movements with a cane").

The Antrobus Trust by Robert Haig. Macmillan, £3.25. 224 pages

The curse on the Antrobus family will be familiar to readers of *Lost Horizon* or *Tithonus*, though Mr. Haig has added some twists. He sets up his story nicely, using several narrators and establishing some sympathetic characters. The latter half of the book, however, fails to sustain the tension: the story dwindles to a halt, not to a real ending. Nevertheless, this is a readable and enjoyable first novel.

Broken bliss BY HILARY SPURLING

Letters Home by Sylvia Plath, selected and edited by Aurelia Schober Plath. Faber, £6.75. 502 pages

It may be beginning to be fashionable to turn thumbs down on Sylvia Plath whose life, work and death have turned her into a kind of posthumous nonpareil — whether as poet, tragic heroine or prophet of women's liberation — on both sides of the Atlantic. If so, her admirers will find small comfort in this disconcerting book which contains a selection of 696 letters to her mother (with a few to other people) written between 1950 and 1963.

During these years she completed her education, attempted a very nearly successful suicide, left America for England, made an ecstatically happy marriage to the poet Ted Hughes, bore him two children, separated from him and killed herself at 30 after a brief period of astonishing fertility and brilliance as a poet. It is difficult to imagine the writer of these letters achieving the limpidity, precision and sombre beauty of Sylvia Plath's last poems. Her correspondence bears no trace of their humour, nor of their harsh reckless unconditional honesty. Suicide, a major theme elsewhere, is touched on only in a description of a college friend whose gaiety grew suspiciously bright and artificial, who secretly saved sleeping pills and razor blades, and whose mother had no patience with such foolery.

This tentative and revealing early letter might almost be a sketch for the heroine of *The Bell Jar*, written ten years later. Otherwise, the image which Sylvia Plath presented to her mother remained all her life a cross between *Rebecca of Sunnybrook Farm* and Jo March in *Little Women*. What is sobering is the combination of banality with ferocious purpose, the fanatical determination to turn herself into an ideal located at the point where commercial advertising meets sentimental fiction. Starting at 18 as the cleverest girl in the school ("I just can't stand the idea of being mediocre"), she meant not only to write immortal verse but to bake the lightest orange chiffon pie, acquire the finest summer tan, fascinate every boy she met and finally marry the noblest mate, not forgetting a life-long ambition to get a story into the *Ladies Home Journal*.

The style in which she records the notching up of all these goals varies between a coy facetiousness ("I'll throw away my knee socks for good and be a grown woman" she wrote on getting her first job) and the gushing optimism of women's reportage. Her account of the Queen's visit to Cambridge in 1955 characteristically suggests a public, rather than a private commentary: "we all cheered as the royal couple walked into our humble dining hall. . . . The Queen looked quietly radiant in a Kelly-green princess-style coat and hat, and the Duke was most talkative and humorous. . . ." To turn from this artless record of plaudits and prizes showered upon a dutiful daughter ("the most busy and happy girl in the world" as Sylvia Plath repeatedly describes herself) to the same story told in the grim and mordant vein of *The Bell Jar* (a novel which Mrs. Plath, in her introduction to *Letters Home*, tacitly acknowledges to be directly autobiographical) suggests a split of schizophrenic proportions.

As literature, these letters are probably worthless. As autobiography, they provide a daunting record of the intense, unremitting labour that went into the making of a poet: in her last year at Cambridge, Sylvia Plath's schedule included daily writing, coping with marriage (a thing unheard-of at Newnham, in those days), cooking, shopping and cleaning for her husband (all tasks she took with extreme seriousness), acting as his agent and her own (an average of 20 manuscripts sent out each week to publishers) as well as reading and revising for her finals. But, taken with the other prose and poems, *Letters Home* also provides some inkling of the emotional price that had to be paid.

If the book rings false at many points that is precisely what makes it so disturbing. This correspondence took place between two people with a highly developed tendency to panic. Each was powerless to deceive or reassure the other. One reads these letters, as their recipient must have done, with a desolating sense of the stress and pain behind the lines. Their intimacy is formal in content, frantic in tone. "I have never been so happy in my life . . . I feel and look like a million . . . Life is such fun," Sylvia Plath wrote seven weeks before her death. She needed to put a continent between herself and her mother; and there is something horrifying about the moment when for the first time her reserve split open ("Everything is breaking—my dinner set cracking in half . . .") and she begged her mother, explicitly and urgently, to keep away.

The material of her last letters —reports on the children, attempts at bee-keeping, balloons for Christmas—provided the subjects for her last poems, and it is hard to remain unmoved by the contrast between the desperate brightness of the one and the despair distilled into the very fabric of the other.

Sojourn in Switzerland

BY DAVID LASCELLES

Lenin in Zurich. By Alexander Solzhenitsyn. Bodley Head, £3.75. 255 pages

Solzhenitsyn originally got together the material of this book for a chapter in *August 1914*, the first volume of his planned chronicle of the Russian Revolution. But, as he puts it in his preface, "unexpectedly finding myself in Zurich," he collected enough extra material and first-hand impressions of Switzerland after he settled there in exile to publish it as a book in its own right.

The narrative covers Lenin's arrival in Zurich in 1914, episodes from his three-year stay there and ends with news of the Revolution and his decision to catch that famous train to the Finland station. Significantly, it does not include his triumphant arrival in St. Petersburg: Solzhenitsyn is interested here only in the man shorn of his historical aura.

We are shown an ageing Lenin (he is nearly 50), eking out an existence in back street lodgings, ploughing his restless energy into revolutionary tomes; but drifting slowly towards despair because of the failure of three years of war to change the political situation in Russia.

In fact, one day at the library, something gives. "If a people could endure such a war without rebelling, what could be done with it? The game was lost, there would be no revolution in Russia. He covered his eyes with his hands and sat still. Whether from tiredness or from depression something seemed to have sagged inside him." In his frustration, Lenin even begins to believe that the Swiss can be turned into the torch-bearers of revolution.

When a friend later arrives with news of the revolution, Lenin is eating boiled beef. A revolution in Russia? What rot, he says.

Convinced eventually that something has happened, he decides to leave for Russia, though with misgivings about accepting the Germans' help—and about the price of the railway ticket. "Third class fare," he says.

And he is relieved when he can pin the idea for the trip on the Social Democrat Martov. The book ends on a note of anticipation. As he leaves his house, a friend says: "It comes to this, Vladmir Ilyich: six months from now we shall either be ministers or be hanged."

It's a rather seedy and unflattering picture of Lenin, as might be expected from a man who probably has very little sympathy for him. Though Solzhenitsyn says he drew on original material and even took pains to recreate Lenin's choice of words. But there is enough of the man's single-mindedness and gimlet cunning to link him with the figure who later stepped into the pages of history.

Like *Gulag Archipelago*, it's hard to say whether this is history or literature. Anyone seeking illumination about Lenin the man will find the style turbulent and confusing (though H. T. Willetts' translation is rich and well-paced) while anyone reading this as literature will not be absorbed by all the in-fighting between obscure Swiss revolutionary factions.

The best passages are undoubtedly Lenin's mental traumas, like the one quoted above, or his fate at being "hitched to the ramshackle Russian rattle-trap" or the humiliating self-admission that he has no organised following in Russia; worries that have ironical parallels with Solzhenitsyn's own position.

Hard and soft soap

BY HUMPHRY BERKELEY

Lord Leverhulme by W. P. Jolly. Constable, £5.50. 246 pages

The life of Lord Leverhulme is a tale of the productive friction of apparently irreconcilable personal qualities. He was a megalomaniac, a social reformer, a tyrant, an opinionate, and a benevolent but quarrelsome philanthropist. These qualities are all reflected in Professor Jolly's book.

William Lever was born in Bolton in 1851. He died in 1925. He lived and became enormously rich at a time of unprecedented growth in the wealth of Britain and her people. By the time of his death Britain had been victorious in the "war to end all wars." This victory had been achieved through a horrific sacrifice of life which had numbed the sensibilities of the nation and, at an economic cost which few realised at the time was ruinous. Leverhulme saw the first cold winds of economic depression, but he was spared the long and bitter years of the dole queue and the soup kitchen.

Starting as an apprentice in his father's grocery shop, he became a salesman and then set up his own business of retailing soap. His compulsively dominating temperament demanded that he must control every ancillary component in his trade. Thus he originally rented a factory to manufacture soap, he then bought the land on which to build his factories, he bought coconut plantations in the South Seas and the Congo and West Africa to provide the ingredients of his product, he eventually bought out all his major British competitors with little regard for expense. When he died his international company Lever Brothers had 100,000 employees, 200,000 shareholders and £50m. of issued equity.

Leverhulme was a good employer and a brilliant publicist. Professor Jolly names the three monuments which he has left behind. These were Port Sunlight, the Lady Lever art collection and the Unilever Corporation. Of these Leverhulme would, perhaps, be most proud of the first. He bought in 1887 fifty acres of land in Cheshire and on this land he built factories and a model village of clean and light houses for his employees to live in. He did not regard first-class working conditions, clubs, recreation grounds or profit-sharing as charity. For him these made good commercial sense.

After the war he was promising his men a six-hour day, by means of shifts, with machinery working twenty-four hours a day. He believed that increased capital investment in machinery would result in increased production, reduced costs, greater leisure, increased consumption and higher wages. This language was too visionary for the 1920's and 1930's.

Contradictions abound in Leverhulme's life. I will mention two. He seriously considered retiring from business in 1884 at the age of 33, yet, when he handed over the running of Lever Brothers to his son, he founded, at the age of 68, Mac Fisheries, which shortly embraced Walls, the ice cream and sausage manufacturer. He stood for Parliament on several occasions, usually for hopeless seats, and he was elected Liberal Member of Parliament for the Wirral in 1906. A year later he decided to resign his seat by applying for the Chiltern Hundreds and was persuaded to remain in Parliament until 1910 by publicly agreeing with the Liberal Chief Whip that he would only have to attend Parliament when summoned for special occasions. In 1907 he introduced a Private Members Bill, for which the Government would not grant time, to provide a retirement pension for every wage earner, to be financed by an extension of income tax on a graduated scale. He was exactly 41 years ahead of his time.

Leverhulme might, had he chosen to, have become a statesman or a great proconsul. Professor Jolly writes "To the lowly and eminent he was always devoted and loyal. It was his equals who were most likely to see the brutal side of his face and find themselves cynically used or violently abused." Perhaps, in these circumstances it was as well that he became one of the last, uncontrolled and uncontrollable, entrepreneurs.

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Mixed in very slow trading: up 5.20

BY OUR WALL STREET CORRESPONDENT

NEW YORK, April 28.

A MIXED TREND prevailed on Wall Street to-day in one of the slowest sessions of the year as investors awaited the latest U.S. money supply figures, which are released each Thursday.

After opening 5.98 lower at 989.53, the Dow Jones Industrial Average finished 5.20 up at 1000.71, although declines still led advances by 762 to 650. The NYSE All Common Index picked up 10 cents to $54.35, while the trading volume decreased 1.97m. shares to 15.79m.

Investors were disappointed by the 0.04 per cent. decline in the Government's Leading Economic Indicators for March. It marked the first decline in the Index — which often signals future movement in the economy — since the 0.5 per cent. drop last October.

The report raised concern that the current economic recovery might falter.

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Texaco	330,300	27⅞	+ ⅛
Marcor	307,400	36⅜	− ⅜
Occidental Petrlm.	231,600	14⅛	+ ⅛
Amer. Tel. Tel.	197,600	57⅞	+ ⅛
General Motors	194,300	70¼	+ ⅞
Bandag	192,100	23	− 3¼
Nat. Semiconductor	186,200	44⅞	− ⅞
Gulf Oil	145,600	26	+ ⅛
Holiday Inn	129,900	17⅜	− ⅛
Citicorp	129,600	33⅝	− ⅛

Also in the economic news, the Federal Energy Administrator said there's no evidence that the nation faces gasoline shortages this summer.

Just as the Stock Market closed, General Motors, up $⅞ at $70¼, reported a sharp jump in first quarter earnings.

Exxon climbed $1⅞ to $95½ after declaring a cash dividend of $1.40 a share.

Pargas picked up $1⅛ to $15¼, *despite "flat" quarterly profits.*

Hershey Foods moved ahead $1⅛ to $22¼, following sharply higher profits.

Pittston advanced $2½ to $38¼, Eastman Kodak $1⅞ to $110⅞, Burroughs $1⅞ to $105¾, Natomas $1½ to $25¼, and Revlon $1½ to $78.

Superior Oil, however, fell $3 to $153½, Eli Lilly $1⅞ to $51⅛, and heavily traded Bandag $3¼ to $23.

Getty Oil slipped $3 to $154, while Kerr-McGee lost $1½ to $68½.

Natomas rose $1½ to $25¼—its Indonesian oil output should improve in 1976.

Aris shed $⅞ to $10—it reported sharply higher first quarter net earnings but also filed for a 1.25m. Common stock offering.

United Refining were down $⅞ to $11, reflecting its sharply lower first quarter net earnings.

THE AMERICAN SE Market Value Index fell 0.31 to 102.61, while declines topped advances by 356-to-241. Turnover totalled 1.92m. (2.09m.) shares.

Syntex, a volume leader, fell $1⅛ to $27¼ on 103,500 shares.

But less active *Russell gained* $⅞ to $19 on a two-for-one stock split plus an increased cash dividend.

OTHER MARKETS

Canada also mixed

Canadian stock markets also were mixed in moderate trading.

Among the Oils, Dome Petroleum rose $½ to $36¼ and Pacific Petroleums added $¼ at $30.

Banks declined, with Canadian Imperial Bank off $¼ to $26⅞ and Royal Bank also down $¼ to $28½.

Levy Industries rose $1 to $14. Noranda Mines were off $½ to $38, and Dominion Foundries and Steel $⅛ to $27⅛.

PARIS—Market rose sharply on widespread optimism that Parliament will substantially alter the Government's Capital Gains Tax Legislation proposed last week. Car production jumping by over 40 per cent. in March also gave the market some impetus.

Properties, Portfolios, Foods, Stores and Engineerings all rallied.

Poclain also improved, despite its loss of Frs.118m. for 1975.

Foreign stocks generally fell, but Dutch, Canadian and International Oils showed some resistance.

BRUSSELS—Prices declined over a broad front in calm trading.

Steels were lower, Metals steady, Chemicals gave ground, Oils dipped and Stores eased.

But Electricals and Utilities were slightly firmer.

U.S. shares declined, South African Gold Mines were mixed, while French, German and Dutch sectors were lower.

AMSTERDAM—Generally easier.

KLM reacted Fls.4.2 to Fls.111.8. Declines elsewhere were led by Insurances.

Heineken further advanced Fls.8.10 to Fls.158.80. Bols put on Fls.1 to Fls.92—news that shareholders approved the change in the Articles came too late to have an impact.

State Loans were steady.

GERMANY—Markets continued lower, with sentiment influenced partly by this week's news of leading Chemical companies cutting 1975 dividends.

Blue Chips, such as Deutsche Bank, fell DM3.60, Mannesmann DM5 and Daimler DM4.50.

Hoechst dropped a further DM 3.9 on its DM2 dividend cut. BASF shed DM1.6 on its proposed DM1½ dividend cut.

Stores and Utilities also weakened.

Domestic Bonds were mixed. The *Regulating Authorities sold* DM8.5m. nominal of stock.

SWITZERLAND—Generally lower, although losses were limited.

Leading Banks were barely steady. Small losses prevailed among Industrials.

State Bonds were quietly steady.

Dollar stocks declined in an active turnover, Dutch Internationals eased and Germans weakened.

VIENNA—Little changed in slow trading.

MILAN — Prices rallied an average 1.5 per cent., following short covering. Late profit-taking failed to reverse the upward trend.

COPENHAGEN — Generally lower in fair dealings.

OSLO—Banks and Industrials were steady, Insurances irregular, while Shippings were quiet.

JOHANNESBURG—Gold shares were mixed in quiet trading, with little London interest. Financial Minings were a shade easier.

Coppers lower and Platinums softer, but Metals were firmer.

Industrials were slightly off.

HONG KONG—Mixed trend.

Hong Kong Bank were down 10 cents to $HK20.30, China Light 30 cents to 22.50 and Hong Kong Telephone 10 cents to 21.40.

But Hutchison rose 5 cents to 3.70, Wheelock "A" 5 cents to 2.70 and Jardine 20 cents to 25.90.

TOKYO — Rally extended, although Electricals met profit-taking. Volume 360m. (same) shares.

Constructions moved up, reflecting the general domestic recovery.

Petroleums also rose, as did Cements and non-Ferrous Metals.

Motors were easy.

AUSTRALIA—*Base Metals and Energy stocks attracted strong support, but early gains were pared in places by late profit-taking.*

Uraniums were higher, with Queensland Mines adding 15 cents at $A2.45, Pancontinental 10 cents at $A9.80, and Peko-Wallsend 2 cents at $A5.62.

Among Coals, Coal and Allied firmed 5 cents to $A2.45.

Among Oils, Woodside Burmah gained 3 cents to $A1.00.

Banks were mixed, with Wales 6 cents higher at $A6.24.

Industrials also were mixed.

Among Banks, Wales put on 10 cents to $A6.28.

CSR rose 7 cents to $A4.07.

MIM fell 8 cents to $A2.72.

Sterling firmer

Sterling gained 85 points *against the U.S. dollar* in the foreign exchange market yesterday to close at $1.8315-1.8325. Further hopeful signs of a satisfactory agreement between the Government and the TUC over wage restraint, helped the pound improve fairly sharply before lunch. Sterling opened at $1.8235-1.8245, but fell to a low point of $1.8220-1.8230 before touching $1.8325-1.8335, its best level of the day.

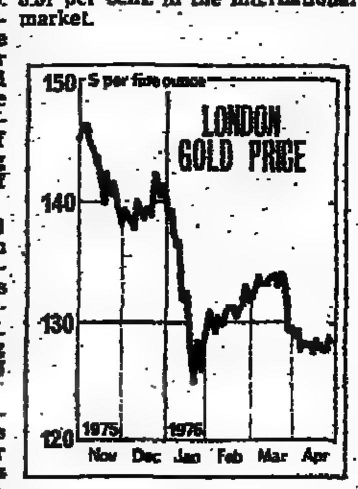
The pound's trade-weighted average depreciation against ten major currencies since the Washington Currency Agreement, as *calculated by the Bank of England* narrowed to 37.2 per cent. from 37.5 per cent., after standing at 37.2 per cent. at noon and 37.6 per cent. in early trading.

The forward pound also continued to improve, and discounts on sterling against the U.S. dollar have eased from the highest levels touched at the end of last week. The three-month forward pound finished at 2.53 cent premium yesterday, compared with 2.85 cent premium on Friday, and Euro-sterling interest rates have eased accordingly.

The Italian lira remains depressed by political uncertainty in Italy, and touched L897 against the dollar, but finished at L894, compared with L890 on Tuesday.

Morgan Guaranty's calculation of the dollar's depreciation against 14 major units, widened to 1.68 per cent. from 1.59 per cent.

Gold fell $⅝ to $127⅞-128⅜. The krugerrand finished at $131-133 (£71½-72½) for domestic delivery, and its premium over the gold *content was little changed at* 2.92 per cent., but widened slightly to 3.31 per cent. in the international market.



SPECIAL DRAWING RIGHT RATES

One SDR is equal to	April 22	April 27
Sterling	0.628014	0.629898
U.S. dollar	1.15002	1.14969
Belgian franc	44.7674	44.7632
Deutsche mark	2.91957	2.91837
French franc	5.37318	5.36273
Italian lira	1027.03	1025.05
Japanese yen	344.085	344.677
Dutch guilder	3.09415	3.09152
Swedish krone	5.05376	5.05876
Swiss franc	2.90415	2.90274

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

EXCHANGE CROSS-RATES

April 28	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankfurt	—	2.5555-65	54.29-39	6.521-531	4.640-646	96.36-43	101.49-57
N. York	38.42-44	—	21.44-46	3.5750-70	1.8380-8390	37.17-19	39.67-69
Paris	183.675-575	4.6672-6772		11.934-019	8.533-558	175.53-174	184.85-86
Brussels	15.51-54	32.27-90	8.32-46	—	71.05-17	14.44-47	15.38-41
London	4.645-665	1.8315-25	8.53½-54¼	71.10-30	—	4.92¼-93¼	4.81¼-82¼
Am'erd'm	103.94-99	2.6692-6917	57.565-605	6.902-9135	4.9195-9245	—	105.505-555
Zurich	98.38-47	2.521-522	54.04-09	6.48-48¼	4.6105-40	94.71-78	—

U.S. $ in Montreal. U.S. $ = 92.22-24 Canadian cents.
Canadian $ in New York. C$ = 101.83-85 U.S. cents. U.S. $ in Milan 895.0-896.0.
Sterling in Milan 1632.75-1634.75.

EURO-CURRENCY INTEREST RATES*

April 28 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
Short term	9½-9¾	4⅞-5¼	7¼-8¼	5¼-5½	3¼-1	4¾-5¼
7 days notice	10-10½	4⅞-5⅛	8-9	5¼-5½	2⅝-2⅞	2½-3
Month	10¾-11¼	5-5⅜	[illegible]	[illegible]	[illegible]	[illegible]
Three months	11⅛-11⅜	5¼-5½	8½-8¾	5⅛-5⅜	[illegible]	[illegible]
Six months	11⅛-11⅞	5⅞-6⅛	8⅝-8⅞	5⅞-6⅛	[illegible]	1⅞-2
One year	12-12⅛	6⅝-7⅛	9¾-10	[illegible]	[illegible]	[illegible]

Euro-French deposit rate: two-day [illegible] per cent.; seven-day [illegible] per cent.; one-month 9½-10 per cent.; three-month 10½-11 per cent.; six-month 11⅛-11½ per cent.; one-year 10½-11½ per cent.

Longer-term Eurodollar deposits: two years 7⅛-7⅜ per cent.; three years [illegible] per cent.; four years [illegible] per cent.; five years [illegible] per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 4 13/16-4 15/16 per cent.; three months [illegible] per cent.; six months 5 11/16-5 15/16 per cent.; one year 6 7/16-6 9/16 per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-days' notice for guilders and Swiss francs.

GOLD MARKET

	April 28
Gold Bullion (a fine ounce)	
Close	$127⅞-128⅜
Opening	$128¼-129
Morning fix'g	$128.65 (£70.431)
Afternoon fix'g	$128.00 (£69.942)
Gold Coins domestically	
Krugerrand	$131-133 (£71½-72½)
New Sov'r'gns	$46¼-47⅛ (£25-26)
Old Sov'r'gns	$43¼-45¼ (£24½-25½)
Gold Coins (Intern'ally)	
Krugerrand	$131½-133½ (£71¾-72¾)
New Sov'r'gns	$46-48 (£25¼-26¼)
Old Sov'r'gns	$41¼-43¼ (£22½-23½)
$20 Eagles	$215-218
$10 Eagles	$112-115
$5 Eagles	$78-81

FOREIGN EXCHANGES

April 28 1976	Bank Rates %	Day's Spread
New York	5½	1.8225-1.8[illegible]
Montreal	8½	1.7950-1.8[illegible]
Amsterdam	6	4.90-4.9[illegible]
Brussels	7	70.99-71.[illegible]
Copenh'gen	8½	10.98-11.[illegible]
Frankfurt	3½	4.62-4.6[illegible]
Lisbon	6½	54.10-54.[illegible]
Madrid	17	122.70-12[illegible]
Milan	12	1.621-1.6[illegible]
Oslo	6	10.00-10.[illegible]
Paris	8	8.51-8.5[illegible]
Stockholm	5½	8.01-8.0[illegible]
Tokyo	6½	546-55[illegible]
Vienna	6	33.00-33.[illegible]
Zurich	2½	4.58-4.6[illegible]

* Basic discount. ‡ Given convertible francs. Closing 73.99-73.29.

OTHER MARKETS

♦ Argen'na	288.51-288.51
Australia	1.4718-1.4881
Brazil	18.85-18.95
Finland	7.05-7.05
Greece	65.572-67.156
H'ngKong	8.9591-9.0290
Iran	127-129
Kuwait	0.530-0.540
Luxemb'g	71.10-71.30
Malaysia	4.6670-4.7058
N. Zealand	1.8285-1.8447
SaudiArab	6.40-6.50
Singapore	4.5255-4.5445
S. Africa	1.5628-1.5897
U.S. —	
Canada	
C$1 —	
U.S. cents	101.85-101.86

Based on rates quoted by dealers. ♦ Rate given BCRA rate 404.32-404.72.

FORWARD RATES

	One month
New York	0.85-0.75 c.pm
Montreal	0.20-0.10 c.pm
Amst'dam	3⅛-2⅜ c. pm
Brussels	5-25 c. dis
Cop'nhg'n	1½-3½ ore dis
Frankfurt	3-2 pf. pm
Lisbon	par-100 c. dis
Madrid	40-90 c. dis
Milan	20-30 lire dis
Oslo	3 ore pm-par
Paris	½ c. pm-½ dis
Stockh'lm	3 ore pm-par
Vienna	25-05 gro pm
Zurich	3⅛-2⅛ c. pm

Six-month forward U.S. [illegible] pm and 12-month [illegible].

Indices

NEW YORK—DOW JONES

	April 28	April 27	April 26	April 23	April 22	April 21	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
Industrials	1000.71	995.51	1002.75	1000.71	1007.71	1011.02	1,011.02 (21/4)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (2/7/32)
Home Bonds	75.55	75.54	75.47	75.52	75.90	75.56	75.69 (22/4)	69.11 (2/1)	—	—
Transport	211.59	210.52	212.46	212.14	215.48	212.88	215.48 (22/4)	175.69 (2/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	87.55	87.35	87.67	87.87	87.62	87.77	91.30 (4/2)	84.84 (2/1)	163.32 (20/4/69)	10.58 (28/4/42)
Tr'ding vol. 000's	15,790	17,760	15,520	17,900	20,220	26,600	—	—	—	—

	April 23	April 15	April 9	Year ago (approx.)
Ind. div. yield %	3.69	3.76	3.81	4.85

STANDARD AND POORS

	April 28	April 27	April 26	April 23	April 22	April 21	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
*Industrials	114.88	114.56	115.25	115.05	115.98	116.30	118.57 (24/3)	101.64 (2/1)	134.54 (11/1/73)	3.52 (30/6/32)
†Composite	102.10	101.86	102.45	102.29	102.99	103.52	103.51 (5/4)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	April 22	April 15	April 15	Year ago (approx.)
Ind. div. yield %	3.28	3.75	3.37	3.91
Ind. P/E Ratio	14.00	—	13.58	9.74
Long Govt. Bond yield	5.49	—	5.40	6.22

N.Y. S.E. ALL-COMMON

April 28	April 27	April 26	April 23	1976 High	1976 Low
54.35	54.25	54.54	54.40	55.30 (4/4.76)	37.86 (2/1.76)

Rises and Falls April 28
Issues Traded—1,859 Up—650
Down—762 Same—447
New Highs—45 New Lows—22

MONTREAL	April 28	April 27	April 26	April 23	1976 High		1976 Low	
Industrial	202.34	202.80	203.82	203.41	205.87	(25/2)	176.62	(2/1)
Combined	195.89	195.14	196.22	195.70	198.37	(24/2)	175.67	(2/1)
TORONTO Industrial	192.25	192.45	192.57	192.70	197.45	(24/2)	175.81	(2/1)
JOHANNESBURG Gold	199.1	201.8	205.4	191.2	226.7	(12/3)	174.4	(5/4)
Industrials	204.0	204.2	205.0	206.1	212.0	(2/1)	199.6	(5/4)

	April 28	Previous	1976 High	1976 Low
Australia (a)	466.07	456.11	472.91 (12/3)	445.32 (5/1)
Belgium (b)	104.58	105.17	115.12 (5/2)	104.34 (20/4)
Denmark (d)	102.66	102.77	107.79 (27/1)	100.30 (10/3)
France (e)	65.7	66.2	74.5 (5/5)	66.0 (22/4)
Germany (f)	766.5	782.2	821.7 (17/3)	766.5 (22/1)
Holland (g)	101.1	101.2	105.3 (6/2)	96.6 (19/1)
Hongkong (h)	424.71	425.70	465.44 (17/3)	354.63 (2/1)
Italy (k)	76.72	75.59	81.57 (23/2)	72.23 (12/4)
Japan‡ (m)	340.60	339.11	344.61 (24/3)	326.38 (6/1)
Singapore (n)	260.77	262.61	326.16 (3/2)	236.35 (2/1)
Spain (p)	92.35	92.06	93.65 (2/1)	85.46 (1/4)
Sweden (q)	460.53	461.27	467.27 (27/4)	395.35 (19/1)
Switz'rl'd (r)	285.0	287.4	296.6 (12/3)	283.2 (8/4)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10): (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/74. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 425 Industrials. † 425 Inds., 50 Utilities and 25 Rails. § April 24 price.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £—114% (same).

NEW YORK

Stock	April 28	April 27
Corning Glass	72⅛	72⅛
CPC Int'nation'l	44	44
Crane	65¾	66⅛
Johns Manville	31⅛	31¼
Johnson Johnson	86	86
Johnson Control	20⅞	20¾
Reading	1⅛	1¼
Republic Steel	34¾	34⅛
Revlon	78	76½
Zenith Radio	45⅞	35¼
Chile 6% 1993	†89¼	89¼
U.S. Treas 4% 1980	†90⅝	†90⅝

GERMANY ♦

April 28	Price Dm.	+ or −	Div. %	Yld. %
A.E.G.	98.9	−0.8	—	—
Allianz Versich.	414	−5	17	2.1
B.M.W.	249	−4	14	2.8
BASF	161.4	−1.6	17	—
Bayer	137.2	−1.9	17	6.8
Bayer Hypo	282	−1.5	20	3.5
Bayer Vereinsbk.	294.5	−2.5	20	2.9
Commerzbank	201	−2.5	18	4.5
Conti. Gummi	98	−3	—	—
Daimler	347.5	−4.5	18	2.2
Degussa	246	−4.2	18	3.7
Demag	180		—	—
Deutsche Bank	304	−3.6	20	3.4

MILAN

April 28	Price Lire	+ or −	Div. Lire	Yld. %
Alitalia Priv.	800	+78	—	—
ANIC	621	+6	60	—
Ausonia Ele.	5,790	+140	150	3.4
Bastogi	944	+15	70	7.4
Breda	1,630	−55	165	9.1
Burgo	9,150	+100	200	2.2
Cantoni	5,450	+150	200	3.7
CIGA	2,555	+95	—	—
Cucirini	4,065	−26	250	6.1
Dalmine	612	+7	50	0.8
Erba	2,235	+120		

AUSTRALIA

April 28	Aust. $	+ or −
Acrow Australia	†0.72	—
Adelaide Brighton Cem. 50c	†1.12	—
Allied Mnfg-Trdg Indus. $1	†1.85	—
Ampol Exploration	†0.85	−0.02
Ampol Petroleum	†0.55	−0.01
Assoc. Minerals	†5.15	—
Assoc. Pulp Paper $1	†0.90	+0.02
Aust. Con. Industries	†1.30	—
Aust. Foundation Invest.	†0.91	+0.01
A.N.I.	†1.0	—
Aust. Oil & Gas	†0.12	—

JOHANNESBURG

MINES

April 28
Anglo American Corpn.
Charter Consolidated
East Driefontein
Elsburg
Harmony
Kinross
Kloof
Potgietersrust Platinum
Southvaal
Gold Fields SA
Union Corporation

Further listings under CANADA, PARIS, BRUSSELS/LUXEMBOURG, SWITZERLAND, AMSTERDAM, TOKYO, STOCKHOLM, COPENHAGEN, OSLO, VIENNA, SPAIN and JOHANNESBURG INDUSTRIALS: [illegible]

U.S. sales ... Russia

BY ... COMMODITIES STAFF

... 3.4m. tonnes of ... reported to have ... the Soviet Union ... the U.S. Department of Agriculture.

... included a USSR ... tonnes of maize ... Minneapolis based company ... Inc., which comes from both 1975 ... supplies.

... the Canadian ... announced the sale ... of wheat valued ... the Soviet Union. ... the Minneapolis ... the latest sales ... amount of grain ... sold to the USSR ... to about 2.9m.

... sold to the USSR ... season's supplies ... to 15.8m. tonnes, ... of feedgrain— ... maize—and 4.4m. ... said the U.S.D.A.

... exports ... down

... Bureau of ... Economics has re... ... of Australian ... exports in the current season to 622.3m. ... December forecast ... with 1974-75 ... 7.7m. kilos, the ... the March issue ... Rural Output and ...

... export forecast is ... compared with the ... of 771.3m. and ... of 582.6m.

... clip forecast — ... previously re... production Estimat... — is 752m. kilos ... of all wool ... against 792m. kilos ... 1974-75.

... POTATO ... HIGHER

... Commodities Staff

... of Scotland's ... year increased ... despite a 10 per ... quantity the annual ... Department of ... and Fisheries for ... yesterday ... poultry, eggs, and ... value of crops ... expected to reach ... compares with the ... in the year to ... 1975 which in ... higher than the

EEC 'green pound' talks affect U.K. grain markets

BY PETER BULLEN

TRADING ON U.K. grain markets was overshadowed yesterday by the EEC Farm Ministers emergency meeting which starts in Brussels to-day to discuss the possibility of devaluing the "green pound."

Even the announcement by the Australian Wheat Board in Melbourne that it had sold 1m. tonnes of wheat to the Soviet Union for delivery next year—which followed the previous day's report of 2m. long tons of Canadian wheat being bought by the USSR—had little affect on U.K. markets. But, Chicago markets opened firmer after recent losses.

While most observers feel Britain will resist any devaluation in the "green pound" rate because it would put up food costs at a critical time in the anti-inflation and wages and prices policy programme, just the possibility of a change has put a damper on grain transactions as traders do not want to be locked into loss making contracts.

Even before the Australian wheat sale to the Soviet Union was announced, Mr. Richard Bell, the U.S. assistant Secretary of Agriculture, said in Washington that the purchase from Canada indicated the USSR intends to import at least 5m. tonnes of wheat during the new 1976-77 crop year. He said the latest purchases would not affect the Soviet commitment to buy at least 3m. tonnes of 1976-U.S. wheat during the first year of its five-year agreement with the U.S., Reuter reported.

To help offset the big drop in its own crop last year the USSR bought more than 27m. tonnes of grain on the world market including 12m. tonnes of wheat—4.4m. of its from the U.S.

Earlier, the U.S. Department of Agriculture had forecast that the USSR's needs this year might not be much over 4m. tonnes from all sources providing their grain crops were at normal levels.

In its monthly report yesterday, the International Wheat Council said the USSR winter grain crop in some areas may have suffered from abnormal winterkill, but it was too early to assess the extent of the damage. Spring sowing, although late compared with last year's unusually early start, was progressing normally.

Because of a reduction from 68m. to 66m. tons in its estimates of world trade in the present crop year based on the first nine months shipments, the IWC said the aggregate carryover stocks in the five major exporting countries are likely to rise by 5m. tons at the end of their respective seasons. This would bring the stocks to 34.5m. tons—the highest since the end of 1973-74 when they fell to 27.1m. Practically the whole of the increase would occur in the carryover stocks of the U.S., it said.

From Canberra, Reuter reported that the Australian Government is consulting the EEC Commission on the adverse effects of subsidised competition from EEC countries on Australian flour exports. Mr. Ian Sinclair, Minister for Primary Industry, said the whole issue of subsidies was under close scrutiny in the GATT multilateral trade negotiations.

Sharp falls in coffee and cocoa

By Richard Mooney

FUTURES VALUES on the coffee and cocoa markets lost further ground yesterday in a continued reaction to recent spectacular rises. July coffee ended £85.5 lower, at £1,330.5 a tonne, while July cocoa lost another £20.25, to £1,020.5 a tonne.

Terminal market prices now appear distinctly undervalued, compared with physicals, but it remains to be seen whether this will act as a brake on the decline, or force physical prices lower.

The highly speculative state of the market is illustrated by the fact that prices rose strongly last week when there was no significant news, but have fallen sharply this week, despite a preponderance of "bullish" factors such as the rise in the Brazilian market and the announcement of an increase in the Brazilian contribution quota (export tax).

Yesterday's fall was encouraged by the relative firmness of sterling and also by a U.S. Department of Agriculture report that the Brazilian 1976-77 coffee crop is making an exceptionally good recovery from the frost damage of last July. The crop could reach 9.5-10m. 60-kilo bags, the USDA said.

Barring frost or other disaster, Brazil could return to a more normal production level of about 25m. bags by 1979-80, the report added.

Cocoa prices fell the permissible £20 limit soon after the opening and lost another £15 following the resumption of trading. Prices had rallied by some £20, but a limit-down opening in New York turned the market downwards again.

CANE SUGAR SUPPLIES

Sour atmosphere for EEC negotiations

BY ROBIN REEVES BRUSSELS, April 28.

NEGOTIATIONS AIMED at settling the coming season's guaranteed minimum price for EEC imports of sugar from African, Caribbean and Pacific (ACP) suppliers—mainly for British refineries—resume here to-morrow at ministerial level.

The pre-meeting atmosphere here to-day appeared sour and unconstructive. ACP sources were stressing that their side was not only affronted by the Community's derisory initial offer, made before the Easter holiday, but was also becoming fed up and disillusioned with the Community's general attitude towards implementing the Lome Convention, of which the sugar arrangements forms only a part.

On the Community's side, EEC officials were adamant that the ACP countries could not reasonably expect anything but marginal improvements on the initial offer. They accepted that this meant little or no real increase over last year's minimum guarantee, but stressed that sugar was moving back towards a period of surplus.

It was only right that ACP producers should share the same burden as the EEC's sugar beet producers, who were again subject to production disincentives.

Although the Common Markets' "domestic" sugar beet price for the 1976-77 season was raised by 8 per cent. in the March farm prices review, EEC officials argue that beet producers will, in practice, receive no more than 1 or 2 per cent. extra for this year's crop because of the re-imposition of production quotas.

It is clear, however, that behind the EEC's hard-nosed attitude, lies some residual resentment at the outcome of last year's negotiations, in which some felt that the Community was held to ransom by the ACP producers.

Thanks to an acute sugar shortage, the ACP countries extracted a substantially better long-term deal from the Community than was originally bargained for, and a special bonus from Britain, bringing their overall price to £260 a ton.

In the opening round of this year's negotiations, the EEC offered a minimum guarantee of 25.5 Units of Account per 100 kilos for supplies in the 12 months, beginning July 1. This is effectively unchanged on last year, though it is substantially up in the pound terms because of sterling's demise.

The guarantee was originally worth £147 a tonne. Given sterling's present state, however, the offer is now not far short of the present world market level of over £180 to tonne.

The Lomé Convention lays down that the ACP group shall be paid a price for up to 1.25m. tonnes of sugar "within the range of Community prices." The price the Community has picked out is the U.K. intervention price, effective from July 1, of 33 units of Account per 100 kilos, minus 7.5 UA to cover the cost of refining, plus an ACP contribution towards the cost of storing sugar in the EEC.

This is not quite the lowest price the Community could have offered. But it cannot by any stretch of the imagination be construed as generous, or as a Community contribution towards helping economic development in ACP countries.

The initial ACP response has been to reject the offer out of hand. They particularly resented the deductions and were also unhappy that the offer had not been back-dated to the beginning of this year.

The EEC's negotiating team is being led by Mr. Pierre Lardinois, the Brussels Commissioner for Agriculture, while the ACP negotiators are to be headed by M. Sactam Boolell, Minister of Agriculture for Mauritius, the biggest single sugar supplier among the group.

The negotiations are due to be concluded by May 1, though some ACP sources were expressing doubt as to whether this deadline could be met.

Since the guaranteed minimum price does not start to operate until July 1, ACP's producers may feel that it is worth delaying. If near-drought conditions in northern Europe persist, there is the spectre of another sugar shortage which would considerably weaken the EEC negotiating position.

Equally, the persistent rumour that Russia may step up its purchases of sugar in the world market could also strengthen the ACP hand.

Australia backs new tin pact

BY OUR OWN CORRESPONDENT CANBERRA, April 28.

AUSTRALIA has decided to join the fifth International Tin Agreement, scheduled to operate for five years from July 1, provided it is ratified by sufficient countries, it has been confirmed here.

The Minister for National Resources and Overseas Trade, Mr. Douglas Anthony, said to-day that the fifth Tin Agreement "offers promise of continuing benefits for both producer and consumer members."

He said the new Agreement would be more effective because of the provision for voluntary contributions by consuming countries to increase the size of the buffer stock. Australia had decided to participate in the new Agreement on the basis of production, rather than exports, as it had done previously, which would mean a larger contribution to the buffer stock.

Our Commodities Editor writes: A rush of signatures by countries wanting to join the Tin Agreement is expected before the official closing date for signing to-morrow.

Only Bolivia, among the seven producer member countries, has so far indicated that it does not want to sign the new Agreement; other producers, including Indonesia, are expected to sign before the Friday deadline.

Malaysia, the biggest producer, has already signed and ratified the new pact. However, if Bolivia decides not to join, the new Agreement would at least have to be formally renegotiated because at present it requires membership of at least six producer countries with a total of 950 of the 1,000 votes allocated. Bolivia, the second biggest producer, has 179 votes.

The Bolivian president plans to outline his country's objections to signing the new Agreement on Friday, prior to the special meeting of the Tin Council next Tuesday, when the question of export controls and price ranges will be discussed.

Reuter reports from Kuala Lumpur that Japan has told the Malaysian Government it is actively considering a voluntary contribution to finance the Tin Council buffer stock from 1977, said Primary Industries Minister, Mr. Datuk Musa Hitam.

The Japanese Ambassador to Malaysia had also said that Japan would back the appointment of Malaysia's Ambassador to the EEC, Mr. Peter Lai, as next chairman of the Tin Council, Mr. Musa said.

The Straits tin price in Malaysia, meanwhile, rose on Tuesday night by $M13, to $M1,908 a picul, only $M2 below the "ceiling" level of the Tin Agreement at which the buffer stock must sell its available holdings at the current market price. However, it is almost certain that the buffer stock sales would be restricted by the Tin Council chairman—as permitted under the Agreement—to avoid the buffer stock completely running out of stocks, even if the "ceiling" was breached.

London values fell back again yesterday, standard grade cash tin closing £20 down, at £3,907.5 a tonne, despite the rise in the Malaysian market overnight.

Again there was heavy selling, believed to be on behalf of the buffer stock. This was a depressing influence in the London market which followed the downward trend in other metals.

Copper led the decline, with cash wirebars £22.25 lower, at £867.5 a tonne. Cash lead lost £10, to £273 a tonne, and cash zinc £6, to £445.

Arab plan for farm investment

RABAT, April 28.

THE ARAB Fund for Economic and Social Development is giving priority to the creation of a special agriculture investment authority to make Arab states less dependent on food imports, fund officials said here.

The topic is one of the main items on the agenda at the Fund's governors' annual meeting, which opened here to-day.

The fund plans to prepare a pre-investment study for a long-range investment programme in the Southern Sudan in the Blue Nile area making it one of the most ambitious agricultural projects in the Arab world.

Reuter.

Dim hopes in U.S.-EEC talks

BY DAVID EGLI GENEVA, April 28.

DISAGREEMENTS between the U.S. and the EEC over trading in farm products are "very substantial," according to Mr. Earl Butz American Secretary of Agriculture.

In a news conference here to-day, he said the main issue of contention was the extent to which efforts to liberalise trade in agriculture should be related to negotiations on tariffs and non-tariff barriers in other sectors covered by the multilateral trade talks.

The U.S. was pushing for "global" negotiations, Mr. Butz said, meaning that concessions in agriculture might be counterbalanced by concessions relating to industrial goods in the final effort to achieve reciprocity. Despite recognition that agriculture must be included in the final package, the Community tended to separate the agricultural sector from others in the negotiations in an effort to defend the common agricultural policy.

The U.S. now was exporting farm produce without the export subsidies sometimes used in the past—the result of "major far-reaching and permanent changes." If, in this situation, the U.S. had to negotiate agriculture against agriculture, it would have nothing to trade against the elimination of EEC barriers.

Questioned on the prospect of success in the attempts to negotiate agricultural trade liberalisation within the trade talks, Mr. Butz said the signs were dim. It was still early in the negotiations, however, and nobody expected tangible results at this stage. Patience was called for in the "painful step after painful step" process.

Referring to the U.S. Agricultural Adjustment Act, the Secretary said the U.S. was ready to put Section 22 dairy quotas on to the negotiating table in Geneva. But he added: "We are not prepared to give them away."

... COMMODITY MARKET REPORTS AND PRICES

... METALS

... on the London Metal Exchange yesterday following the recent sharp ... in Copper, forward ... in pre-market dealings, in part reflecting ... of sterling, later ... selling and the price ...

... ended at £883-88 on the afternoon Kerb. The easier tone of Comex was also a dampening factor. Turnover 28,075 tonnes.

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £869.5, 70, three months £897, 96, 95, 94, 93, 92, 91, 92, 93, 95, 96, 97, 98, 97, 97.5, 98, 97, 97.5, 98. Cathodes, cash £864, three months £892, 91.5, 90.5. Kerb: Bars, three months £897, 96, 95, 94, ...

TIN—Lower on balance. Prices were initially higher, reflecting the overnight rise in Penang which took that market close to the "ceiling" price of the buffer stock manager's dealing range. Subsequently, the lower tone of sterling, the downturn in copper and profit-taking caused a reaction to £4,025 while further selling of High Grade material, again thought to have been on behalf of the buffer stock manager, was also reported. Turnover 2,185 tonnes.

COCOA

Conditions were nervous and volatile with prices, initially, sharply lower on Commission House liquidation. Later, prices rallied £13 to close steady, reports Gill and Duffus.

COFFEE

SILVER

RUBBER

SLIGHTLY STEADIER opening on the London physical market. ...

SOYABEAN MEAL

FREIGHTS

JUTE

SUGAR

WOOL FUTURES

MEAT/VEGETABLES

GRAINS

PRICE CHANGES

Prices per ton unless otherwise stated.

U.S. Markets

Limit falls in coffee and cocoa, grains up

NEW YORK, April 28.

COPPER and silver were sharply lower on aggressive speculative liquidation, following the decline in the leading economic index. Coffee closed limit down on Commission House liquidation. Cocoa finished limit down on Commission House profit-taking. Rumours of imminent Russian purchases and a confirmation of a 400,000-ton purchase of maize by USSR caused advances in grain complex, Bache reports.

... All cents per pound ex-warehouse unless otherwise stated. ...

STOCK EXCHANGE REPORT

Gilts up again and equities harden a shade further

Index 0.4 higher at 410.3, after 412.4—EMI advance

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Apr. 20	Apr. 29	Apr. 30	May 11
May 3	May 13	May 14	May 25
May 17	May 27	May 28	Jun. 9

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Encouraged by the continuing improvement in sterling yesterday, stock markets made further small headway. Hopes that a voluntary wage agreement will be concluded within a week helped underlying sentiment, particularly in the Gilt-edged sector where fresh rises extended to ⅝. The Government Securities index advanced 0.37 more to 61.84, for a rise of 1.03 over the last two trading days.

Closing gains in leading equities were modest, but EMI featured with a rise of 9 at 253p on the good third quarter results from its U.S. subsidiary, Capitol Industries. Scattered buying in a market still short of stock took the FT 30-share index up 2.5 at its best of the day at 11 p.m., but what little interest there was soon faded and the index drifted back to close only 0.4 up on balance at 410.3. The continuing paucity of business was reflected in official markings of 5,540.

Movements of note in secondary issues were few and far between but rises had the edge over gains, by 3-2 in FT-quoted Industrials. The All-Share index, however, eased 0.1 per cent. to 168.02, being dragged down by relative weakness in the Bank and Insurance groups.

South African Gold shares made a rather erratic showing after the recent good advance and, with final quotations a little lower on balance, the Gold Mines index gave up 5.1 to 186.9.

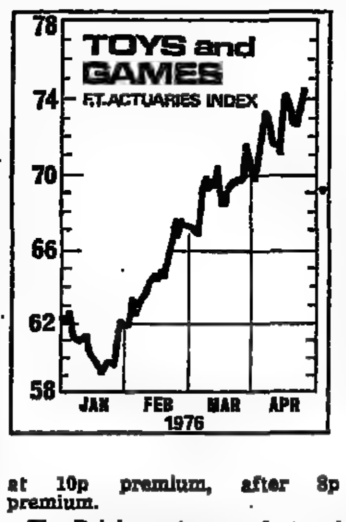
Gilt rise continues

Gilt-edged put on a repeat performance of Tuesday's trading pattern, although gains were slightly less, ranging to ⅜ in both short- and longer-dated issues. Investment funds continued to circulate and with stock again inadequate, there were forlorn hopes that the Government broker might be persuaded to lower his price for supplies of the short "tap," Treasury 9¾ per cent., 1981: this was not so, however, and the market price regained ⅛ more to 93¾. The thinness of the market contributed a good deal to the extent of the rise and late in the afternoon the longs drifted a shade below the best following a similar move among the shorts. Corporations went with the movement, regaining a maximum of ⅜.

A reactionary trend in early investment currency deals was arrested by the appearance of institutional buyers and the premium, after easing to 113 per cent., closed unaltered on the day at 114 per cent. Yesterday's SE conversion factor was 0.6633 (0.6604).

The big four Banks developed a gentle downward drift in thin trading. Barclays came to rest 6 lower at 292p, while Lloyds, 228p, Midland, 288p, and National Westminster, 238p, all cheapened 2. Australia and New Zealand remained a nervous market in Overseas issues, easing 2 more to 403p on fears that the bank will announce a "rights" issue with the interim figures not known in market hours. Standard Chartered, on the other hand, rose 5 more to 415p, still on hopes of a settlement to the Rhodesian situation. Discounts were mixed, with Jessel Toynbee 2 off at 70p following the results. Gillett Brothers closed 5 higher at 190p, but Gerrard and National held steady at 260p in front of to-day's results. Merchant banks came on offer with Keyser Ullmann closing 3 lower at a 1976 low of 42p. News that further provisions will be required on the property lending side upset First National Finance, which touched a low of 1½p before closing unchanged on the day at 1¾p.

Insurances were quiet and easier for choice. Pearl shed 6 to 216p and Prudential cheapened 2 to 131p. C. T. Bowring, in ex-rights form, closed 2 down at 75p with the "new" nil-paid shares opening and closing at 10p premium, after 8p premium.



The Drinks sector was featured by Teacher (Distillers), which rose 8 to 225p on small buying in a thin market; the results are due next month.

Movements of note were few and far between in Buildings. International Timber moved up 3 to 89p, while G. W. Sparrow, 140p, and International Paint, 265p, put on 5 apiece. Tarmac edged up a penny to 174p in front of to-day's preliminary statement. London Brick hardened to 52p in response to the chairman's encouraging statement before closing without alteration at 51p.

ICI were finally a penny better at 400p, after 402p. Elsewhere in Chemicals, Laporte responded to Press comment with a rise of 3 to 104p. Revertex moved up 4 to 89p, while Burrell closed a fraction harder at 9¾p following the preliminary figures.

Electrical leaders continued to trade quietly, although EMI made a buoyant showing, closing with an advance of 9 at 253p, after 254p, on satisfaction with the good third-quarter statement from its U.S. subsidiary, Capitol Industries-EMI. BICC, 120p, and the new nil-paid, 24p premium, managed improvements of 3 and 2 respectively, while GEC, 159p, after 160p, and Reyrolle Parsons, 127p, after 125p, displayed net gains of a penny. Plessey fluctuated a penny either way before finishing unaltered at 79p. Elsewhere, Telephone Rentals benefited from the preliminary statement and gained 3 at 104p, while fresh support left James Scott a penny higher at 19p, after 20p, but Laurence Scott, despite the profits recovery, softened 2 to 52p.

Marks and Spencer, following the disappointing Press reception given the preliminary figures, closed 2 cheaper at 96p after a reasonable two-way business. Other Stores were quiet and little changed. "Gussies" "A" were finally a penny easier at 204p, after 206p, but Helene of London finished a fraction firmer at 9p following the preliminary figures. K. O. Boardman put on a penny at 8½p, while other small priced shares to improve included Blackman and Conrad, 1½ better at 21p, and S. and U. Stores, 2 firmer at 13p. Mail Orders had a firmer inclination, Grattan Warehouses finishing 2 harder at 99p.

Engineering leaders hovered around the overnight levels, but selected secondary issues made headway. Haden Carrier found support ahead of Monday's preliminary statement and rose 5 to 125p, while Clarke Chapman gained 3 to 76p on the increased profits. The chairman's optimistic view of the company's potential helped Babcock and Wilcox move up 2 to 89p, and British Northrop were similarly better at 94p following news of last year's marked recovery, although the latter had risen to 98p in front of the announcement. Further consideration of the "rights" issue plus dividend and profit forecasts saw B. Elliott improve 2 to 67p. Elsewhere, Birmid Qualcast, 66p, Hall-Thermotank, 79p, and Wadkin, 83p, were all around 4 higher, while Renold were raised 5 to 150p. Shipbuildings improved marginally as more interest developed.

Foods sported a few firm spots. J. Bibby moved up 5 to 104p, while Manbre and Garton, 135p, and Alpine Soft Drinks, 108p, put on 3 apiece. Squirrel Horn hardened 2 to 28p, while Confectioners had Geo. Bassett up 2 more at 84p and Rowntree Mackintosh 4 higher at 230p. The leaders closed little changed after a quiet trade. William Morrison featured Supermarkets, rising 5 to 111p following a Press suggestion of a forthcoming "rights" issue.

Thermal Syndicate up

Business was very slow in the miscellaneous Industrial leaders, which had initial minor gains partially erased later. Beecham, 361p, after 364p, and Glaxo, 415p, after 417p, managed to hold net improvements of 3 apiece. Elsewhere, Thermal Syndicate finished 5 higher at 78p, after 80p, on fresh speculation awaiting news of the bid talks with International Combustion, a fraction harder at 9p. Still on vague bid talk, AD International put on 2 more to 99p in a thin market for a two-day rise of 7. European Ferries, with preliminary results due soon, found favour and added 3½ at 68½p. Lead Industries, on the preliminary statement, put on 2 to 153p, while increased profits left Foseco Minsep 2 firmer at 214p. Photo-Me moved ahead to 120p in a limited market before ending just 5 firmer at 110p. Improvements of 5 were registered in Winsor and Newton, 158p, Low and Bonar, 148p, and Marshall's Universal, 121p, while Mono Containers, 28p, and Myson Group, 98p, both ended 3 better. Miln Marsters declined 4 to 153p, while Silentnight, 54p, gave up the previous day's gain of 3 which followed the profits upsurge. Bodycote shed a penny to 14½p on the annual results.

Motors and Distributors had another quiet session. Lyon and Lyon closed 2 harder at 22p despite the disclosure of reduced earnings, while Zenith Carburetter "A," 50p, and Heron Motor, 36p, put on 3 apiece. BSG International closed a fraction harder at 21½p with the help of call-option business.

BPM "A" hardened 1 late to 29p, on news of the halved interim profits being expected and countered by the slightly more encouraging statement on prospects. Newspapers and Printings otherwise contained little of note, Bemrose improving 1 to 61p on the chairman's annual review with the full report.

Waite and Son retreat

After initially lower levels, Property leaders picked up in slack trading. MEPC managed to end 2 better at 68p, while Land Securities recouped a fresh loss of 3 to close unaltered on the day at 161p. English Property, after recent firmness on the Trizec subsidiary deal, reacted to 42½p before finishing a fraction down at 43½p. The company's strong defensive stance at the annual meeting against Sun Life's 73p cash offer left Artagen Properties 2 firmer at 77p. Favourable investment comment prompted a rise of 6 to 70p in Evans of Leeds, while Samuel Properties, on the return to profits in the first half-year, hardened 1½ to 39½p. Waite and Son contrasted by retreating 6 to 77p after the House close on news of the termination of the bid talks with Meru Group. London Bridge Securities weakened 2½ to 9p in the wake of adverse Press comment.

Shell again traded actively, buyers being drawn by the U.S. associate's exceptionally good first quarter, which augurs well for the Royal Dutch/Shell comparable return on May 13; after rising to 436p, Shell closed a net 5 up at 432p. British Petroleum attained a new peak of 660p initially, but later reverted to the overnight level of 655p, while remaining domestic issues were relatively neglected, apart from British-Borneo which, in a thin market, jumped 8 to 130p. Investment currency and domestic market influences boosted Woodside-Burmah, up 7 at 100p, and Associated Australian, which regained 5 to 90p.

Among Overseas Traders, Inchcape improved 7 to 437p, while S. and W. Berisford put on 3 more to 172p and Booker McConnell, after Tuesday's rise of 6, added 2 at 141p. After having risen 8 the previous day, Gill and Duffus failed to respond to news of the increased profits and eased a penny to 171p.

News of the sale of shares in a New Zealand subsidiary brought strength to Dalgety, which rose 7 to 289p in Trusts and Financials. The chairman's encouraging statement helped London United Investments harden 3 to 59p, while S. Pearson improved the turn to 138p in front of to-day's preliminary results. A shade easier at 43p in front of the results, Simonside improved on them to close a net penny better at 44p. By way of contrast, Thomas Jourdan declined 2 to 15p.

Following a fairly busy morning, interest in Shippings waned considerably later but prices managed to hold steady to firm. Ahead of to-day's interim results, Common Brothers were 1 up at 83p.

After extremes of 152p and 148p, Courtaulds closed a net penny better at 150p in Textiles. Press comment on the third-quarter figures and the Board's overall optimism about prospects helped John Haggas put on 15 to 330p in a thin market, but further consideration of the interim results caused S. Lyles, 48p, to give up the previous day's gain of 1½. The Tobacco leaders moved narrowly in quiet trading and closed at, or near, overnight levels.

South African Industrials had Anglo-American 30 higher at 580p and Anglo-Transvaal Industries 7 better at 119p.

Press comment drew buyers' attention to Guthrie which touched a 1976 high of 205p before closing 5 higher on balance at 204p in Rubbers. A rise of 7 to 164p in McLeod Russel provided the only notable change in Teas.

Golds falter

South African Gold shares moved erratically before closing lower on balance ...

FINANCIAL TIMES STOCK INDICES

	April 28	April 27	April 26	April 23	April 22
Government Secs.	61.84	61.47	60.81	60.83	61.46
Fixed Interest	60.94	60.54	60.16	60.44	61.27
Industrial Ordinary	410.3	409.9	405.1	401.0	405.8
Gold Mines	186.9	192.0	190.7	174.0	170.9
Ord. Div. Yield %	5.13	5.14	5.19	5.25	5.19
Earnings Y'ld % (full)(a)	15.07	15.12	15.29	15.45	15.12
P/E Ratio (net) (a) (b)	9.76	9.73	9.62	9.52	9.71
Dealings marked	5,540	5,354	4,958	6,107	6,995
Equity turnover £m	—	59.94	50.07	57.29	75.13
Equity bargains total	—	13,849	13,750	13,818	16,744

10 a.m. 409.5. 11 a.m. 412.4. Noon 412.3. 1 p.m. 4[illegible]. 2 p.m. 411.7. 3 p.m. 411.7.

Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=9.[illegible] Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. [illegible] Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1/76)	60.19 (2/1/76)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.42 (2/2/76)	59.73 (2/1/76)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	419.6 (21/4/76)	381.6 (6/1/76)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1/76)	140.1 (6/4/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY: Daily— Gilt-Edged, Industrials, Speculative, Totals; 5-day Av'ge— Gilt-Edged, Industrials, Speculative, Totals

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS. Figures in parentheses show number of stocks per section.

	Wednesday, April 28, 1976: Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Tuesday April 27 Index No.	Monday April 26 Index No.	Friday April 23 Index No.	Thurs. April 22 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1 CAPITAL GOODS (179)	156.88	+0.3	14.51	5.66	10.40	10.51	156.48	154.50	154.65	157.04	120.02	160.06 (21/4)	143.66 (2/1)	206.37 (4/5/72)	50.71 (13/12/74)
2 Building Materials (30)	144.09	+0.8	14.43	6.21	12.19	12.19	143.55	141.34	142.52	145.35	106.49	150.18 (15/1)	138.49 (20/3)	233.64 (2/5/72)	44.27 (11/12/74)
3 Contracting, Construction (33)	224.67	−0.4	15.93	4.70	9.75	9.75	225.64	224.59	223.06	228.52	228.80	260.20 (16/1)	222.65 (13/4)	390.33 (19/5/72)	71.48 (2/12/74)
4 Electricals (16)	274.90	−0.3	14.85	4.60	9.92	9.64	270.84	269.91	271.96	275.71	209.21	287.30 (21/4)	250.60 (6/1)	350.04 (4/5/72)	86.71 (25/5/69)
5 Engineering (Heavy) (13)	189.56	+1.3	20.07	6.13	7.92	7.92	189.01	182.96	185.29	185.38	149.05	189.38 (22/4)	165.30 (6/1)	202.57 (6/6/73)	94.45 (1/2/76)
6 Engineering (General) (63)	146.66	+0.5	14.73	5.96	10.09	10.09	145.90	144.03	143.96	145.46	104.39	147.75 (7/4)	126.46 (2/1)	166.59 (4/5/72)	46.14 (6/1/75)
7 Machine and Other Tools (9)	58.91	+0.9	14.66	6.59	12.23	12.23	58.38	57.75	57.78	57.79	48.12	60.17 (26/3)	51.19 (6/1)	136.70 (4/7/69)	19.96 (13/12/74)
8 Miscellaneous (25)	139.16	+0.3	15.70	6.00	11.45	11.18	138.75	137.19	137.24	139.47	107.53	140.14 (21/4)	121.88 (2/1)	177.41 (27/4/73)	49.65 (6/1/75)
9 CONSUMER GOODS (DURABLE) (53)	137.12	+0.1	15.02	4.75	9.91	9.88	136.95	135.43	135.86	138.95	89.96	141.46 (21/4)	121.87 (2/1)	227.78 (21/4/72)	38.39 (6/1/75)
10 Lt. Electronics, Radio TV (15)	163.40	+0.1	12.95	3.51	11.33	11.33	163.31	161.71	162.65	167.16	94.11	180.55 (7/4)	139.16 (2/1)	257.41 (19/6/72)	42.86 (12/12/74)
11 Household Goods (13)	182.07	+0.5	18.97	6.29	7.86	7.84	181.64	180.65	181.66	186.47	137.60	187.22 (7/4)	165.36 (2/1)	263.22 (4/5/72)	65.92 (17/12/74)
12 Motors and Distributors (25)	85.19	+0.2	16.94	5.16	8.95	8.90	83.04	81.79	81.54	82.55	48.99	86.06 (15/3)	70.06 (6/1)	170.69 (15/1/69)	19.91 (6/1/75)
13 CONSUMER GOODS (NON-DURABLE) (168)	153.69	−0.3	14.02	5.84	10.75	10.64	154.05	150.98	150.71	154.00	133.08	162.24 (4/3)	148.09 (12/4)	226.08 (16/6/72)	61.41 (13/12/74)
14 Breweries (15)	155.20	−0.9	14.51	5.95	10.34	10.54	156.56	154.98	155.25	157.50	143.56	179.45 (2/2)	150.25 (12/4)	281.87 (28/11/72)	69.47 (13/12/74)
15 Wines and Spirits (7)	181.60	—	10.35	5.56	14.67	14.87	181.75	178.23	178.28	178.82	156.00	185.89 (15/3)	173.82 (12/4)	257.40 (13/7/72)	78.81 (13/12/74)
16 Entertainment, Catering (14)	187.67	+0.8	12.80	7.03	12.02	11.95	186.14	182.79	185.46	188.62	141.15	211.26 (8/3)	180.25 (2/4)	329.99 (13/12/72)	54.87 (9/7/74)
17 Food Manufacturing (22)	174.46	—	14.66	4.95	10.38	10.31	174.50	171.58	170.88	174.62	143.44	175.05 (21/4)	162.69 (20/2)	211.65 (1/5/72)	59.78 (11/12/74)
18 Food Retailing (16)	138.63	+0.1	11.90	5.04	12.23	12.23	138.60	135.85	136.86	140.07	135.36	160.08 (12/1)	135.51 (2/4)	235.08 (16/8/72)	54.25 (11/12/74)
19 Newspapers, Publishing (16)	173.07	+0.5	12.88	5.96	11.66	11.66	172.02	171.61	171.96	175.41	136.56	184.34 (11/3)	163.47 (2/1)	250.29 (18/1/72)	55.08 (6/1/75)
20 Packaging and Paper (12)	108.78	+0.5	19.27	7.19	7.91	7.92	108.24	107.77	108.75	110.71	96.80	112.50 (26/3)	104.18 (2/4)	135.69 (26/4/72)	43.46 (6/1/75)
21 Stores (34)	126.71	−0.3	11.75	5.41	13.12	13.10	127.15	125.25	123.06	125.99	124.16	136.24 (2/2)	121.50 (12/4)	204.39 (16/8/72)	52.63 (6/1/75)
22 Textiles (23)	165.96	−0.7	15.29	6.68	9.23	9.30	167.08	165.00	164.76	169.31	126.72	183.19 (30/1)	163.16 (12/4)	263.72 (17/9/68)	62.66 (11/12/74)
23 Tobaccos (3)	227.42	−0.9	19.17	6.25	7.95	7.95	229.48	224.04	221.54	226.35	173.15	236.22 (5/3)	211.56 (6/3)	369.16 (2/3/72)	94.34 (13/6/62)
24 Toys and Games (6)	74.46	+1.5	15.31	4.99	7.60	7.60	73.37	72.70	72.64	73.75	41.35	74.46 (28/4)	59.13 (28/1)	135.72 (18/1/70)	20.92 (6/1/75)
OTHER GROUPS (96)															
25 Chemicals (26)	226.51	+0.5	11.44	4.27	12.46	12.47	225.76	222.95	222.66	224.80	155.87	229.99 (21/4)	199.46 (6/1)	229.99 (21/4/76)	71.20 (1/12/74)
26 Office Equipment (9)	96.77	+0.1	12.90	5.23	11.80	11.80	96.67	96.56	97.12	96.31	95.15	99.82 (21/4)	86.09 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27 Shipping (13)	384.71	+1.0	18.69	5.56	6.55	6.58	381.08	375.10	375.47	380.28	366.07	432.64 (30/1)	355.52 (19/3)	517.00 (6/12/72)	90.80 (29/6/62)
28 Miscellaneous (49)	170.35	+0.4	15.61	5.25	10.81	10.80	169.56	168.09	167.27	170.79	138.67	172.98 (21/4)	156.79 (3/1)	258.83 (2/5/72)	50.39 (6/1/75)
29 INDUSTRIAL GROUP (496)	161.51	+0.1	15.55	5.51	10.72	10.64	161.41	158.82	158.77	161.62	129.22	164.37 (21/4)	152.00 (2/1)	220.17 (1/5/72)	59.01 (13/12/74)
30 OILS (4)	376.24	+0.6	11.42	4.56	10.15	9.57	375.14	370.61	368.06	368.12	243.55	375.24 (28/4)	331.34 (16/2)	431.66 (29/5/69)	87.23 (29/5/62)
31 500 SHARE INDEX	179.17	+0.1	13.47	5.34	10.62	10.42	178.92	176.53	176.07	178.74	138.95	181.37 (21/4)	167.51 (2/1)	227.95 (16/8/72)	63.49 (13/12/74)
32 FINANCIAL GROUP (100)	135.59	−0.9	—	5.40	—	—	136.89	135.07	135.86	138.95	132.77	153.45 (30/1)	132.75 (12/4)	241.41 (11/4/72)	55.88 (13/12/74)
33 Banks (6)	162.59	−1.2	18.82	5.31	8.19	8.18	164.58	162.65	161.09	165.76	151.88	192.16 (29/1)	152.93 (19/3)	288.32 (20/7/72)	62.44 (12/12/74)
34 Discount Houses (10)	156.87	−0.3	—	7.82	—	—	159.35	155.99	156.24	156.59	145.01	186.52 (13/1)	152.20 (1/4)	293.13 (2/7/72)	81.40 (10/12/74)
35 Hire Purchase (5)	114.90	—	—	6.49	—	—	114.88	111.94	112.71	115.52	119.68	132.10 (26/2)	104.60 (2/1)	433.73 (4/5/72)	38.83 (11/12/74)
36 Insurance (Life) (9)	117.31	−1.2	—	6.06	—	—	118.72	116.75	118.88	122.64	116.40	129.46 (30/1)	116.75 (26/4)	194.46 (15/3/72)	44.88 (2/1/75)
37 Insurance (Composite) (7)	108.95	−1.4	—	6.44	—	—	110.47	108.60	109.64	112.76	108.70	119.75 (30/1)	105.32 (6/1)	156.76 (21/4/72)	43.96 (13/12/74)
38 Insurance (Brokers) (9)	255.87	−0.3	8.59	4.16	17.63	17.63	254.65	250.52	249.10	250.98	184.49	254.65 (27/4)	218.26 (5/1)	262.37 (12/12/72)	65.86 (16/12/74)
39 Merchant Banks (17)	83.06	−0.9	—	6.72	—	—	82.81	81.71	81.36	83.13	69.49	93.05 (27/1)	77.94 (9/4)	278.57 (1/5/72)	31.21 (7/1/75)
40 Property (31)	159.85	—	3.31	3.09	53.70	54.53	159.84	159.75	159.70	164.15	228.29	194.57 (30/1)	155.65 (12/4)	357.40 (9/11/73)	56.01 (20/4/65)
41 Miscellaneous (6)	80.93	−0.7	16.15	6.94	9.69	9.59	81.46	80.01	79.47	80.67	71.97	91.98 (3/2)	78.10 (2/4)	303.13 (18/5/72)	33.29 (17/12/74)
42 Investment Trusts (50)	164.98	+0.1	3.14	4.39	33.16	33.16	164.86	163.68	165.77	166.88	164.50	184.55 (30/1)	156.54 (2/4)	246.79 (26/4/72)	71.63 (13/12/74)
43 ALL-SHARE INDEX (650)	168.02	−0.1	—	6.30	—	—	168.11	165.77	165.65	168.47	139.59	172.64 (30/1)	160.62 (2/1)	228.18 (1/5/72)	61.92 (13/12/74)
COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44 Rubbers (9)	500.51	+0.8	11.90	6.76	12.66	12.49	497.69	493.40	490.53	487.10	490.30	500.51 (28/4)	404.67 (14/1)	555.37 (23/7/73)	84.68 (25/8/65)
45 Teas (8)	140.44	+1.2	30.00	8.43	4.52	4.37	138.73	138.49	135.70	135.90	89.19	140.44 (28/4)	117.89 (7/1)	140.44 (28/4/76)	69.72 (17/10/74)
46 Coppers (3)	248.62	−3.3	40.73	7.08	2.46	2.46	251.01	240.18	228.75	238.55	449.20	301.47 (7/1)	179.96 (6/4)	567.78 (13/7/73)	94.08 (29/4/62)
47 Mining Finance (11)	113.68	−1.5	9.15	4.36	12.21	12.12	115.61	111.46	108.48	109.48	123.65	119.77 (7/1)	86.18 (3/3)	175.90 (28/4/69)	56.61 (30/9/74)
48 Tins (8)	107.06	+0.9	11.32	5.84	12.86	12.19	106.11	105.31	105.60	105.79	101.75	107.06 (22/4)	86.09 (9/2)	125.43 (12/1/73)	54.93 (27/6/71)
49 Overseas Traders (13)	249.78	+0.9	13.41	4.15	9.78	9.77	247.81	244.36	245.70	249.08	221.71	249.78 (28/4)	239.55 (2/1)	262.23 (20/6/75)	97.27 (6/1/75)

FIXED INTEREST	Wed., April 28 Index No.	Wed., April 28 Yield %	Tuesday April 27	Monday April 26	Friday April 23	Thurs. April 22	Wed. April 21	Tues. April 20	Thurs. April 15	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1 Consols 2½% yield	—	13.92	14.01	14.21	14.19	13.99	13.60	13.60	13.66	15.56	—	—	—	—
2 20-yr. Govt. Stocks (6)	49.62	13.12	49.48	48.61	48.71	49.47	50.95	51.12	50.75	45.58	53.45 (30/1)	47.56 (2/1)	115.42 (11/9/63)	38.27 (3/1/75)
3 20-yr. Red. Deb. & Loans (15)	53.12	13.94	49.38	49.38	49.42	50.31	50.32	50.18	49.68	46.58	53.12 (28/4)	46.68 (2/1)	115.43 (23/10/63)	37.01 (3/1/75)
4 Investment Trust Prefs. (15)	48.05	14.41	47.66	47.26	47.49	47.90	47.90	47.67	47.86	42.99	51.23 (18/2)	46.50 (2/1)	114.41 (13/9/63)	34.45 (4/12/74)
5 Coml. and Indl. Prefs. (20)	65.15	14.67	64.93	64.62	65.01	65.55	65.81	65.71	65.61	56.56	71.97 (2/2)	62.76 (2/1)	114.95 (7/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Miscellaneous Financial	31/12/70	128.06
Engineering (Heavy)	31/12/71	153.84	Food Manufacturing	29/12/67	114.13
Engineering (General)	31/12/71	153.84	Food Retailing	29/12/67	114.13
Wines and Spirits	16/1/70	144.75	Insurance Brokers	29/12/67	96.67
Toys and Games	16/1/70	135.72	Mining Finance	29/12/67	100.00
Office Equipment	16/1/70	162.74	All Other	10/4/62	100.00
Industrial Group	31/12/70	128.20			

† Redemption yield. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 20p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
Shell Transport	25p	15	432	+3	436	378
EMI	50p	11	253	+9	277	223
BP	£1	10	655	—	660	575
ICI	£1	10	400	+1	411	334
Selection Trust	25p	9	525	−30	573	460
"Bats"	25p	8	375	—	378	342
British Home Sts.	25p	7	357	+2	373	328
Burmah Oil	£1	7	34	—	53	31
Cons. Gold Fields	25p	7	186	−1	220	146
Courtaulds	25p	7	150	+1	169	144
Gen. Accident	25p	7	174	−1	190	156
Unilever	25p	7	476	−2	480	428
Beecham	25p	6	361	+3	372	339
BICC 'New'	Nil/pd.	6	24*	+2	28*	16*
Bow'g (C.T.) 'New'	Nil/pd.	6	10*	—	10*	8*

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).
* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr. 28	May 10	July 22	Aug. 3
May 11	May 24	Aug. 5	Aug. 17
May 25	Jun. 8	Aug. 19	Sep. 1

"Calls" were dealt in J. Lyons 'A', Associated Engineering, Tricentrol, Cavenham Warrants, Slater Walker, BSG, Dunlop, Town and City, Reyrolle Parsons, Hampton Areas, Lake and Elliot and Lonrho. "Puts" were done in Sears and Slater Walker, while "doubles" were arranged in Associated Engineering, Tricentrol, Town and City, Reyrolle Parsons, Burmah Oil, Slater Walker, British Land and Stone-Platt.

Industrials							
A. P. Cement	15	Guardian	20	Spillers	5	Shell	22
Assoc. Leisure	5	G.K.N.	22	Tesco	5	Ultramar	50
Barclays Bank	22	Hawker Sidd.	35	Thorn "A"	20	**Mines**	
Beecham	28	House of Fraser	8	Tube Invest.	27	Anglo Amer.	50
Boots Drug	12	I.C.I.	21	Unilever	40	Charter Cons.	16
Bowaters	16	"Imps"	7	Utd. Drapery	10	Chart'rh'll Fin.	6
B.A.T.	50	I.C.L.	14	Vickers	15	Cons. Gold	16
British Leyland	7	Inveresk	7	Williams Hud'n	4	De Beers Def.	35
BOC Int.	8½	Legal & General	13	Woolworths	6	F. S. Geduld	350
Burton 'A'	7	Ladbroke	11	**Property**		Great Boulder	12
Cadburys	6	Lloyds Bank	22	Brit. Land	4½	Hampton Areas	12
Courtaulds	11	"Lofs"	4	Cap Counties	5½	Hampton Prop.	4
Debenhams	9	"Mams"	9	E.P.	6	Kloof	100
Distillers	18	Marks & Sp'ncer	10	Int. Europ.	7	Lonrho	12
Dunlop	7½	Midland Bank	22	Land Securities	18	Loraine	55
Eagle Star	13	Nat'l West. Bank	20	MEPC	10	Poseidon	55
E.M.I.	17	"Do" Warrants	8½	Peachey	5½	Pres. Steyn	200
Gen. Accident	15	P & O Dfd.	11	Town & City	5½	Rio T. Zinc	17
Gen. Electric	13	Plessey	6	Town & Comm.	4	Welkom	55
Glaxo	35	R.H.M.	5	**Oils**		West Areas	40
Grand Met	7	Rank Org. 'A'	15	Brit. Petroleum	40	Western M'ng.	18
G.U.S. 'A'	17	Reed Int'l	25	Burmah Oil	7		
		Rothmans	4				
		Slater Walker	4½				

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1976.

NEW HIGHS (49)

AMERICANS (2): Exxon, Ford Motor
CANADIANS (2): Bell Canada, Hudson's Bay
BANKS (1): Wells Fargo
CHEMICALS (1): Revertex
STORES (1): Menzies (J.)
ELECTRICALS (1): Scott (James)
ENGINEERING (6): Adwest, British Rollmakers, Brook Eng. ...
FOODS: Bassett (G.), Bibby (J.) ...
INDUSTRIALS: Crosby House, Diploma Inv., Dunbee-Combex, Foseco Minsep, Marshall's Univ., Photo-Me ...
MOTORS: Dowty ...
PAPER: Saatchi & Saatchi ...
PROPERTY: Evans of Leeds ...
TRUSTS: Atlantic Assets ...
OILS: B.P. ...
OVERSEAS TRADERS: Berisford (S. & W.) ...
RUBBERS: Cons. Plantations ...
TEAS: McLeod Russel
MINES: Nigel, Silvermines, Vogels, Metals Exploration ...

NEW LOWS (21)

BANKS (4): Brown Shipley, First National Fin., Gibbs (A.), Keyser Ullmann
BUILDINGS (4): Charles (D.), Ellis and Everard, SGB ...
FOODS (2): Goldrei Foucard, Matthews Hldgs.
INDUSTRIALS (12): Downs Surgical, Kelsey Inds., Leo Group, Plastocraft ...
NEWSPAPERS (1): Wilson Bros. ...
PROPERTY (5): Land Secs., Do. 5½pcCnv. 1985, Do. 6¼pcCnv. 1985, Do. 10pcCnv. 1993, United Real Prop.

CORAL INDEX Close 407-412

I.G. INDEX GOLD 127-130

MONEY MARKET

Large assistance

Bank of England Minimum Lending Rate 10½ per cent. (since April 23, 1976)

Day-to-day credit was in short supply in the London money market yesterday and the authorities gave a large amount of assistance by buying Treasury bills and corporation bills from the discount houses. Banks carried forward surplus balances and there was a fall in the note circulation.

These were outweighed, however, by an excess of revenue payments to the Exchequer over Government disbursements, official holdings of maturing local authority bills, a net market take-up of Treasury bills, and settlement of gilt-edged sales.

Discount houses paid 9¼-10 per cent. for secured call loans in the early part and closing balances were taken at 9-9½ per cent.

In the interbank market overnight loans opened at 9¼-9¾ per cent. and touched 9¾-10 per cent., before easing to 9-9½ per cent., and closing at 9¾-10 per cent.

Short-term fixed period interest rates were generally slightly firmer. The three-month sterling certificate yield increased to 10¼-10⁵⁄₁₆ per cent. from 10³⁄₁₆-10⅛ per cent.

Rates in the table below are nominal in some cases.

April 28 1976	Sterling Certificates of deposits	Interbank	Local Authority deposits*	Local Auth. negotiable bonds	Finance House deposits	Company deposits	Discount market deposits	Treasury bills ⊕	Bank Bills ⊕	Fine trade Bills ⊕
Overnight	—	9-10	—	—	—	10-10¼	9-10	—	—	—
2 days notice	—	—	9¾-9⅞	—	—	—	—	—	—	—
†7 days or 7 days notice	—	9⅝-10	9⅞-10	—	—	—	9¾-10	—	—	—
One month	10-9¾	9¾-10	9¾-10	10¼-9¾	10-10⅛	—	9½	9½	9½	11-10¾
Two months	10⅛-10	9⅞-10¼	—	10⅜-10¼	10¼-10⅞	—	9⅝-9⅝	9½-9⅝	10	11-10¾
Three months	10¼-10⅜	10⅛-10⅜	10¼-10⅜	10⅜-10¼	10⅝-11¼	—	9⅝-9¾	10-9⅞	10⅛	11-10¾
Six months	10⅜-10⅜	10⅜-10⅝	10½-10⅝	10⅝-10¼	11-11½	—	—	—	10⅝-10⅞	11
Nine months	10⅞-10⅞	10⅝-11	—	11¼-10¾	11⅛	—	—	—	—	—
One year	10⅞-10¾	10⅞-11¼	11¼-11⅛	11½-11	11¾-12	—	—	—	—	—
Two years	—	—	12¼-12½	—	—	—	—	—	—	—

† Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 12 per cent.; four years 13¼-13½ per cent.; five years 13½-14 per cent. ⊕ Bank bill rates in table are buying rates for prime paper; buying rates for four-month bank bills 10³⁄₁₆ per cent.⊕ and four-month trade bills 11 per cent. Approximate selling rate for one-month Treasury bills 9¹¹⁄₁₆ per cent.; two months 9²⁷⁄₃₂-9¹⁵⁄₁₆ per cent.; and three months 9²⁹⁄₃₂-9⅞ per cent. Approximate selling rate for one-month bank bills 9¹³⁄₁₆ per cent.; two-months 9⅞ per cent.; and three months 9³¹⁄₃₂-9¹⁵⁄₁₆ per cent.; for one-month trade bills 10½-10⅝ per cent.; two-month 10⅝-10¾ per cent.; and three-month 10⅝-10¾ per cent.

Finance House Base Rates (published by the Finance Houses Association): 9 per cent. from April 1, 1976. Clearing Bank Deposit Rate for small sums at seven days' notice, 5½ per cent. Clearing Bank Base Rate for lending 10½ per cent. Treasury Bills: Average tender rate of discount 9.8872 per cent.

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AUTHORISED UNIT TRUSTS

G.T. Unit Managers Ltd.♥				
16, St. Martins-le-Grand, EC2.				01-600 8461
G.T Cap. Inc.	61.3	65.2	.....	2.70
Do. Acc.	70.4	74.9	.....	2.70
G.T. Inc. Fd. Un.	105.5	112.2	.....	8.80
G.T. U.S. & Gen.	131.1	139.4	.....	1.50
G.T. Japan & Gen.	201.5	214.4	.....	0.70
♦Gt. Pens. Ex. Fd.	120.4	126.6	+9.5	2.10
G. & A. Tst. (a) (G)				
5, Rayleigh Rd., Brentwood.				(0277) 227300
G & A	26.3	28.1	+0.1	5.14

REGIONAL MARKETS

...f the share prices previously shown under regional headings is ... with quotations on London. Irish issues, most of which are not ... n London, are shown separately and with prices as on the Irish ...

	Craig Ship. £1	320	+2	Shiloh Spinn.	25	.....
	Hallam Sleigh 10p	8		Sindall (Wm.)	53	.....
19	Higsons Brew.	100		**IRISH**		
34	I.O.M. Stm. £1	133	+3			
29	Holt (Jos.) 25p	230	.....	Alliance Gas (£1)	72	.....
45	Kleen-e-Ze	21	.....	Carroll (P. D.)	125	−3
30	Lovell's Ship £1	75	−5	Clondalkin	50	.....
127	N'hn. Goldsmith	89	−1	Concrete Prods.	55	.....
20	P.M.A.	46	.....	Goodbody (£1)	25	.....
69	Pearce (C. H.)	80	.....	Helton (Hldgs.)	27	−2
23	Peel Mills	13	.....	Irish Distillers	56	.....
10	RobbCaledonSh	43	.....	Irish Wire	40	.....
60 +5	Sayers 12½p	13	.....	Jacob	62	.....
16½	Sheffield Brick	85	.....	Sunbeam	13½	.....
162	Sheff Refrshmt.	140	.....	Unidare	72	+2

...ERS AND LAGGARDS

...table shows the percentage changes which have taken place since ...5 in the principal equity sections of the F.T.-Actuaries Share ...contains the F.T. Gold Mines Index.

.....	+23.55	Tobacco	+ 3.98
...bsters	+19.34	Packaging and Paper	+ 3.95
.....	+18.07	Wines and Spirits	+ 3.82
.....	+17.16	Shipping	+ 3.43
...ral)	+17.05	Consumer Gds (Non-Durable) Gp	+ 3.02
...s)	+16.37	Stores	+ 3.01
.....	+15.95	Building Materials	+ 2.75
.....	+14.70	Textiles	+ 2.42
...y)	+14.48	Mining Finance	+ 2.17
.....	+14.30	Insurance (Life)	+ 1.12
...urable) Group	+13.70	Financial Group	+ 0.64
.....	+13.06	Entertainment and Catering	− 0.52
.....	+12.79	Banks	− 0.63
.....	+12.68	Breweries	− 1.57
...and TV	+11.95	Investment Trusts	− 2.28
.....	+10.91	Merchant Banks, Issuing Houses	− 2.93
...p	+10.19	Food Retailing	− 3.34
.....	+ 8.63	Coppers	− 3.99
.....	+ 8.38	Property	− 8.40
.....	+ 7.82	Contracting and Construction	− 8.60
.....	+ 7.64	Discount Houses	− 8.96
...g	+ 7.46	Gold Mines F.T.	−19.33
.....	+ 6.34		
...blishing	+ 5.84	* Percentage changes based on Tuesday,	
...e)	+ 4.64	April 27, 1976, indices.	

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99½	92¾	Treasury 6½pc 1976‡‡	98¾	−1/16	6.57	10.00
98⅝	98⅝	Victory 4pc 1976‡‡	98⅝	.....	4.04	—
101½	99¾	Treasury 10½pc 1976‡‡	100¼	−1/16	10.49	10.26
98½	95½	Treasury 6¼pc 1977‡‡	96⅞	+⅛	6.45	10.07
97¾	94½	Electric 3pc 74-77	95	+⅛	3.16	9.03
103½	92¾	Treasury 11½pc '77‡‡	101¼	+1/16	11.36	10.50
94¼	91⅞	Treasury 3pc '77‡‡	94xd	+⅛	3.19	7.16
94¾	92¼	Transport 4pc '72-77	93	+⅛	4.30	8.63
99¾	90½	Treasury 9pc 1978‡‡	97⅜	+⅛	9.24	10.55
101½	98¼	Treasury 10½pc '78‡‡	99¾	+⅛	10.53	10.60
93⅛	89⅝	Exchequer 5pc '76-78‡‡	90¾	+¼	5.51	9.35
103½	100¼	Treasury 11½pc '79‡‡	101½	+¼	11.34	10.90
88⅝	83⅝	Treasury 3pc '79‡‡	85⅞	+½	3.49	7.83
89⅛	73⅞	Electric 4¼pc '74-79	87¼	+½	4.84	8.46
100½	96¼	Treasury 10½pc '79‡‡	98¼xd	+⅛	10.69	11.12
88⅝	83⅝	Electric 3½pc '76-79	86½xd	.....	4.04	7.94
96½	91	Treasury 9pc 1980‡‡	93½	+¼	9.63	11.11
96½	92¼	Treasury 9½pc '80‡‡	94⅜xd	+¼	10.07	11.28
86	82¼	Treasury 3½pc '77-80	83¼	+½	4.20	8.36
88¼	71	Funding 5¼pc '78-80‡‡	86¼	+½	6.09	9.33
103¼	98	Treasury 11½pc 1981	100¾	+¼	11.46	11.36
86	80¼	Do. 3½% 1979-81	81¼	+½	4.31	8.31
95⅜	92	Do. 9¾% 1981‡‡	93¾	+⅝	10.40	11.43
		Five to Fifteen Years				
93¼	86¼	Treasury 8½pc '80-82‡‡	91⅛	+½	9.58	11.22
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Over Fifteen Years
[illegible]

Undated
[illegible]

**INTERNATIONAL BANK
[illegible]

**CORPORATION LOANS
[illegible]

COMMONWEALTH & AFRICAN LOANS
[illegible]

LOANS (Miscel.)
[illegible]

FOREIGN BONDS & RAILS
[illegible]

U.S. $ DM Prices exclude inv. $ premium

AMERICANS
[illegible]

S.E. List Premium 50½% (based on $1.9295 per £)

Conversion factor 0.6633 (0.6684)

CANADIANS
[illegible]

S.E. List Premium 50½% (based on $1.7971 per £)

‡‡BANKS AND HIRE PURCHASE
[illegible]

Hire Purchase, etc.
[illegible]

BEERS, WINES AND SPIRITS
[illegible]

BUILDING INDUSTRY, TIMBER & ROADS
[illegible]

BUILDING INDUSTRY—Continued
[illegible]

CHEMICALS, PLASTICS
[illegible]

CINEMAS, THEATRES AND TV
[illegible]

DRAPERY AND STORES
[illegible]

DRAPERY AND STORES—Continued
[illegible]

ELECTRICAL AND RADIO
[illegible]

ENGINEERING, MACHINE TOOLS
[illegible]

ENGINEERING—Continued
[illegible]

FOOD, GROCERIES, ETC.
[illegible]

HOTELS AND CATERERS
[illegible]

HOTELS—Continued
[illegible]

INDUSTRIALS (Miscel.)
[illegible]

هكذا اصل الأصل

هكذا صدر الأصل

INDUSTRIALS—Continued

††INSURANCE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

TRUSTS—Continued

Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

EASTERN RAND

MINES—Continued

FAR WEST RAND

1976 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
710	350	Blyvoor 25	550	−20	†Q260c	1.3	‡
£14	785	Buffels R1	£10	−¼	Q180c	1.4	89 5
198	95	Deelkraal R0.20	138	−2	—	—	—
760	330	Doornfontein R1	410	−20	‡Q210c	1.4	‡
965	640	East Drie R1	860	−10	Q75c	1.7	5 2
280	160	Elandsr'd Gld Mag 20c	205	−5	—	—	—
190	115	Elsburg R1	146	+1	Q33.8c	1.0	13 7
£16½	£11¼	Hartebeest R1	£14½	−¼	Q215c	1.4	8.8
695	430	Kloof Gold R1	550	−10	Q55c	1.4	5 9
760	400	Libanon R1	480	−35	‡Q115c	1.9	‡

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIAN

TINS

COPPER

MISCELLANEOUS

1976 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
10	8	Burma Mine 17½p	9	......	m0.5	—	1.5
39½	23	Charterhall 5p	25½	+1	—	—	—
945	580	Cons Murch. 10c	940	−5	Q80c	1.8	5.0
40	28	Laurasia	34	−1	—	—	—
455	245	Northgate C$1	360	......	Q25c	0.3	3 6
239	178	R.T.Z.	231	−2	5.42	2.1	3.7
112	85	Sabina Inds. C$1	90	......	—	—	—
£12½	£10	Tara Exptn. $1	£12½	+⅛	—	—	—
123	88	Yukon Cons. C$1	123	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ф Figures or report awaited.
- †† Banks and insurance reserve allocations may preclude calculation of dividend cover.
- ∥ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- ∥ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment.

A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 27

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security

FINANCIAL TIMES
Thursday April 29 1976

More powers for police on breathalyser tests urged

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE Committee on Drinking and Driving maintains that the law is too weak—not because the penalties are wrong but because people no longer expect to be caught.

It suggests the present limitations on the power of the police to stop and test drivers should be removed.

Mr. Frank Blennerhassett, QC, who headed the committee, stressed yesterday that this did not mean a move towards introducing random tests.

In the words of the report: "Removing the limitations on the power to test drivers would permit police discretion to be exercised in relation to the actual pattern of drinking and driving behaviour, rather than to artificial criteria.

"Enforcement strategy could be directed purposefully, flexibly and to maximum effect."

The committee's report recommends that a new category of "high risk" offenders should be introduced to the laws. This would enable courts to insist that drivers with drinking problems showed they were taking steps to deal with those problems before allowing them to have their licence back.

This "high risk" category would take in drivers with a very high level of alcohol in the blood—more than 200 milligrammes to the millilitre—second offenders and those who refused specimens for analysis.

DR. GILBERT, Transport Minister: "One of the greatest social evils of contemporary life."

The committee also recommends that a breath sample normally should be used to determine whether a driver has taken too much alcohol—with blood analysis as an optional final test.

But it maintains that there should not be a reduction in the legal limit from the present 80 mg./100 ml. level.

Dr. John Gilbert, Transport Minister, threw the matter open to public debate last night and asked for all interested organisations to give him their views as soon as possible.

He stressed: "There can be no doubt at all that drinking and driving is one of the greatest social evils of contemporary life and that measures to halt and reverse this rising trend of wantonly created violent death, injury, physical suffering and emotional pain must be one of the most urgent objectives for us all."

It is unlikely, however, that any new, tougher laws could be pushed through Parliament within a year.

The Home Office has invited manufacturers of breath-testing devices to submit samples for testing and evaluation. This, too, may take some time.

There was a wide measure of support for the committee's recommendations last night. The *British Medical Association said:* "We hope that the Government will soon introduce measures based on the recommendations, which can achieve substantial reductions in mortality and morbidity."

The BMA urged the Government to follow the committee's advice that the suggested measures be treated as a "related package" so as to have maximum impact and not to introduce them piecemeal.

Motorists' oranisations, while supporting most of the recommendations, took issue with the committee over suggestions that the police should be given wider powers to test.

The AA said the major point on which it takes issue is the recommendation that the police should not be required to give any reason for stopping a driver and giving a breath test.

"The basic principle of British justice requires police action to be taken only when reasonable grounds for suspicion exist."

Shadow Transport Minister, Mr. Norman Fowler, said: "The proposal to give police unfettered discretion to stop motorists is questionable. There is a real danger that any move of this kind would cause a deterioration of relations between police and the motorist."

The committee's view, expressed in its report, is clear: "While the basic rights of the suspect must be safeguarded, we consider that other road-users' right to be protected from dangerously unfit drivers is paramount. . . . The level of enforcement has to be seen to be increased."

It points out that the social cost of road accidents involving alcohol is more than £100m. a year. There are 1,000 deaths a year, including half of all fatal road accidents to young men under 24, where alcohol plays a part.

Editorial Comment Page 22
Details Page 33

Jenkins likely to resign in autumn

By Richard Evans, Lobby Editor

MR. ROY JENKINS, Home Secretary is now expected by colleagues to resign from the Government in the late summer or early autumn to take up the Presidency of the Common Market Commission.

Informal consultations between the British Government and its EEC colleagues are now well advanced prior to the next summit in late June or July, when the choice of Mr. Jenkins should be ratified.

If Mr. Jenkins resigns from the Government and Parliament in the early autumn, he will have three or more months to tour EEC capitals and acclimatise himself before taking over the Presidency on January 1.

Many of his closest Labour Party colleagues have been urging Mr. Jenkins to remain in U.K. politics, but they are now resigned to accepting his departure following his failure to secure the leadership of the Labour Party or the Foreign Secretaryship.

It is widely expected that Mr. Merlyn Rees, Ulster Secretary, and a close confidant of Mr. Callaghan, will take over as Home Secretary in an autumn Cabinet reshuffle.

Following French and German support for Mr. Jenkins as the next EEC President, there is increasing speculation that Mr. Jenkins could exercise a more powerful role in Common Market affairs than the out-going president, M. Ortoli, of France.

M. Ortoli has been regarded as an able technocrat, but lacking the political flair that Mr. Jenkins could bring to the job.

There is speculation at Westminster on the choice of the two British Commissioners when Sir Christopher Soames and Mr. George Thomson retire at the end of the year.

Sir Christopher, Commissioner for External Relations, is anxious to return to U.K. politics and seeks a Westminster seat. If he can return to the Commons there is little doubt that Mrs. Margaret Thatcher would invite him to join the Shadow Cabinet. Mr. Thomson, Commissioner for Regional Aid, has been in poor health for some time.

The convention is for one of the British Commissioners to be Labour and one Conservative, although there is no rule governing the appointments.

Continued from Page 1

Boost for Carter

surprising since Senator Jackson, with his widespread backing from both the trade unions and the State's Democratic machine, had high hopes of taking first place in the delegate contest, even if not in the beauty contest.

Senator Jackson, according to still incomplete returns, may finish no higher than fourth. Mr. Carter appeared to have won 66 delegates, there were 46 uncommitted, 23 went to Mr. Udall and 17 apiece to Senator Jackson and Pennsylvania Governor Milton Shapp, an early casualty in the *primary races. Forty-four more* delegates will be chosen, on the basis of yesterday's returns, later this summer by a State convention.

Both Senator Jackson and Mr. Udall are now in the direst of trouble. Mr. Jackson said last night that he was going to change radically his style of campaigning, relying less on public appearance and more on the media.

He next confronts Mr. Carter in Indiana on Tuesday, but with his chances of defusing Mr. Carter's challenge in northern industrial states severely reduced by yesterday's result.

Mr. Udall, the candidate of the liberal wing of the party, said both yesterday and this morning that he would fight on to the bitter end. He quoted an Abraham Lincoln story that runs: "We'll fight until hell freezes over and then mount another attack on the ice" and claimed that Mr Carter was, in essence, no different from President Ford.

"We need a choice, not an echo," he said, recalling Senator Goldwater's campaign slogan of 12 years ago.

But both Mr Jackson and Mr. Udall will find it hard to raise the money to wage effective battles in the 21 primaries that still lie ahead.

Even if Congress does agree to reconstitute the suspended Federal Election Commission, which hands out Federal matching funds, only their debts will be cleared.

Moreover, neither possesses the organisation to match that of Mr. Carter in the primaries ahead. The Carter tactic has always been to run everywhere, that of his opponents to pick and choose.

Neither Jackson nor Udall can point to any upcoming State with confidence now that Mr. Carter has showed his ability to carry a major northern industrial State against his principal opponents.

THE LEX COLUMN

Resilience at Foseco

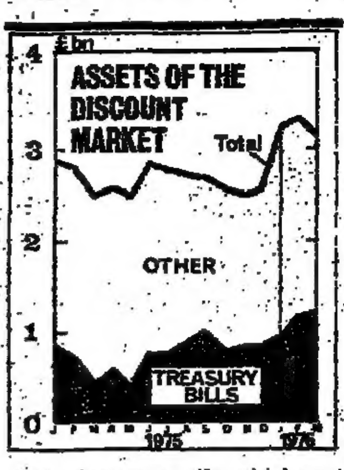
Foseco Minsep is being treated much more like a growth stock again these days—its shares having risen by more than a sixth this year to a new all-time high of 214p—and these hopes will not be disturbed by the 1975 results. Pre-tax profits are £1.47m. up at £14.1m. pre-tax with exchange gains contributing £600,000. The crucial point has been that metallurgical profits have been much more resilient than in previous cycles. This side's pre-interest total is nearly £1m. up at £13.2m. despite a decline in world steel production of nearly 15 per cent. The explanation lies partly in the spread of demand in the foundry sector as well as the growth of newer products in the steel sector linked, for example, to continuous casting.

There has apparently been a strong start to 1976 with the foundry side benefiting from the worldwide upturn in auto production and the group is also hoping that a pick-up in the steel cycle will work through in the second half. The *market seems to be expecting* an increase of at least a quarter pre-tax for the year. One lingering longer-term doubt is why this record and a return on capital employed of 24 per cent. has not attracted more competition but on the metallurgical side the quantities are too small for most of the chemical majors. So there is no obvious threat to a market capitalisation of £98m. and there are no balance sheet worries after a net cash inflow of £4.4m. in 1975.

Discount houses

Discount houses have had plenty of scope in the past few months for displaying their talent—or lack of it—for good timing, what with the sharp fall in interest rates early in the year and the abrupt about turn last week. The results from Jessel, Toynbee emphasise the point, for rather than give the impression that it was stuck with its large April 5 book of £272m. (up £63m. over the year) when MLR jumped, the Board has added that £100m. had been trimmed off in the two weeks before Easter. But the market was mildly disappointed at the results, showing a drop in disclosed net profits from £1.03m. to £0.80m. That might imply that Jessel was not as successful as some in making hay during January. Or maybe the stock market has been exaggerating the importance of the discount

Index rose 0.4 to 410.3



market's punt in gilts which sent the sector's holding of one- to five-year stocks up from £64m. in mid-December to £220m. in January and then back down again to £53m. by mid-March.

As for more recent events, it will be intriguing to see how many other discount houses managed to cut back their exposure ahead of the MLR change last week. Jessel's argument is that it has never known a sterling crisis which did not lead to higher short-term rates. Even so, the current year will not have got off to a very good start. But Jessel has a good record through the upsets of the past few years, and it has allowed the luxury of a glimpse at its true profits last year—some £1.3m. net, of which £1m. has been transferred to inner reserves. There may have been some reduction from the exceptional level of 1974-75, but the implied true pre-tax return on shareholders' funds is still some 40 per cent.

Sun Life/Artagen

Artagen's reply to the Sun Life bid approach focuses on the value of the "cheap" long-term finance provided by the latter. The company has so far drawn down £18.5m. of the £40m. available—at a cost of 7¼ per cent. for the first seven years. If quoted the stock might be valued currently at only about 60 per cent. of par value and this could add around 13p to net worth of 78½p. Another key plank of the defence is that Sun is trying to buy a group of undisputed quality when property values are low. Although yields have recently improved, an updating of the December revaluation might

fest even further the valuers. Nevertheless t be some indication of r sionary benefits to c there is plenty of scop promised dividend Sun still has not pro offer and is keen on terms: indeed, it cann with a minority if it cancel the loan agree a closing price last nig —4p above the propo offer—is firmly based.

Corporate Repo

The discussion p "The Corporate Repo a month ago, and whi counting Standards C was assessing the resp terday Blackwood Hod the first company to accounts modelled o port's suggestions. A open sort of comp year's disclosures—w to add 30 per cent. to of the document—do tain much that is There are minor poi terest in the state money exchanges, fo rency transactions added tax. But such not have much valu tion, and in its dis future prospects Bla actually less forthco it has been on past

Some form of pe ment seems likely fr countants in a mon probably suggesting ther research will be on the extra statem tainly there is no li any standards on t in the near future.

Gill and Duffu

The upturn in prices was making the Gill and Duffus before the March promised a 50 per ce in the dividend for 171p, the shares are above their 1976 h judge by the massi borrowings since De group is heading in of buoyant commod conditions last see Cocoa (60 per cent.) rubber account for a cent of total turnove ing activity has move ficantly this year wit of cocoa. Just abou over the past 13 m drafts at the end of about £2½m. lower at ahead of the rights topped £30m.

Crosland rules out move on Rhodesia

By Bridget Bloom, Africa Correspondent

IN HIS first statement on Africa since becoming Foreign Secretary, Mr. Anthony Crosland yesterday told Parliament that he foresaw no new British initiative in Rhodesia until the Smith regime in Salisbury accepted the four pre-conditions set out by Mr. Callaghan on March 22.

These conditions were: acceptance of the principle of majority rule; elections within 18 months to two years; no independence before majority rule; and an orderly and speedy transfer to majority rule.

Mr. Crosland, who was answering a question from Mr. David Lane, Conservative MP for Cambridge, about the possibility of Britain calling a round-table conference outside Rhodesia, said that unless the conditions were met "we would simply set off again on that long, stony road we have tried to inch up in the last 12 years."

While it was clear that Mr. Crosland was enunciating policy as formulated by Mr. Callaghan, he emphasised that white Rhodesia was running out of time. Recent events can only further underline the need for the white community to face up to the realities of the situation and to do so soon," he said.

Welcoming Dr. Kissinger's *speech in Lusaka on Tuesday* as a "major contribution to African policy," Mr. Crosland said it was now essential for white Rhodesians to realise that they were dealing with an opinion now held by the whole world community.

Asked by Mr. Reginald Maudling, Shadow Foreign Secretary, whether he intended to do nothing at all about Rhodesia, Mr. Crosland said he would continue to consider daily whether there was any new initiative Britain might take within the context of the four pre-conditions.

He denied suggestions from Mr. Julian Amery, Conservative MP for Brighton, Pavilion, that British and American policy would benefit the Soviets and not the West. Had Dr. Kissinger not made the speech, or made one of a contrary character "the possible effects on the world balance of power would have been disastrous," Mr. Crosland said.

Kissinger's promise on chrome imports. Page 5; talks with with President Mobuto and Rhodesia's tribal chiefs, Page 7

Inflation and taxes cut the earnings of executives

BY NICHOLAS LESLIE

THE STARK reality of the effects of tax and inflation on salaries of middle management and senior executives is highlighted in a survey published yesterday.

It forecasts that while a salary of £5,000 in January, 1977, will be worth almost 17 per cent. less than in January, 1974, the value of a £20,000 salary will have fallen by over one-third in the same period.

The survey, produced annually by the British Institute of Management in association with Remuneration Economics, shows that in the year to January, 1976, the average salary increase for directors and other executives was 11.9 per cent. After tax, the net increase for a married man with two children was 6.6 per cent.

But this does not reflect the effects of inflation. Prices rose by 23.4 per cent. during the period. In real terms, average salary fell by 13.5 per cent.

The Chancellor of the Exchequer's proposals for penalising fringe benefits appear to have been pre-empted by the economic situation. The survey finds that there has been a cut in virtually all areas of benefit from free housing and telephones to company cars and personal loans on advantageous terms.

Commenting on the survey, Mr. Roy Close, director-general of the BIM, said that the figures were "an indication of the sacrifice which managers have to make under high inflation, penal taxation and the current prices and incomes policy."

He also felt that they "run counter to the demands now being made for greater effort, for more initiative, and for attracting bright young people into industry, to help with the regeneration of our wealth and the move to a high wage, high performance economy."

Sir Frederick Catherwood, chairman of the BIM, made it clear when he launched the survey yesterday that British managers were "pretty disgusted" at being asked to operate economic policies with which they disagreed.

This did not mean, however, that they would go against any pay policy. They were extremely dissatisfied at the way the only people being consulted were the unions and representatives of company owners.

Sir Frederick has frequently maintained that the BIM should be consulted by the Government on economic matters. He said yesterday that this point had been repeated and he was hopeful of some progress.

In forecasting the fall in the value of salaries, the survey updates the Diamond Commission's projected salary levels. Its forecasts are also based on the Government's target of 10 per cent. inflation for the current year and assume an effective 5 per cent. incomes policy from August 1 onwards.

The importance of bonus payments is highlighted. Those related to company performance accounted for 50 per cent. of all bonus payments. Some 17 per cent. were dependent upon personal performance while 33 per cent. were fixed.

Over 420 companies, with 27,000 executives, are covered by the survey, although 12-monthly comparisons such as those in the table (which do not take any account of inflation) relate to 221 companies which contributed to both the 1975 and 1976 surveys.

BIM National Management Salary Survey 1976. Available from Remuneration Economics, St. James' Cottages, Richmond, Surrey. Charges: BIM member organisations (participants) £55, (non-participants) £70; non-members (participants) £75, (non-participants) £90. Post and packing £1.

Taxes analysed, Page 8

GROSS AND NET SALARIES 1975/1976

Responsibility	1976 survey* Actual average gross salary	Estimated average net salary	Sample	% change on 1975 gross	net
Chief Executive	17759	8764	210	+11.0	+ 2.0
Deputy Chief Executive	14936	8018	148	+10.2	+ 3.0
Other Directors	13034	7406	868	+14.4	+ 5.3
Senior Heads of Function	9663	6168	857	+16.7	+ 8.4
Other Heads of Function	8296	5565	1397	+17.5	+10.2
Senior Management I	7155	4992	2053	+13.6	+ 8.3
Senior Management II	6611	4692	1894	+12.7	+ 7.9
Middle Management I	5433	3984	3079	+14.1	+10.1
Middle Management II	4861	3617	3055	+ 1.7	− 0.4

*The gross salaries in this table are taken from companies that took part in both the 1975 and 1976 surveys.

Conference on International Economic Co-operation

Developing countries demand quick response from West

BY ROBERT MAUTHNER

PARIS, April 28.

THE CONSTRUCTIVE atmosphere which has marked the dialogue between rich and developing nations, the Conference on International Economic Co-operation, since it started here in February was shattered to-day by a tough complaint in a statement by the developing group that the industrial nations were dragging their feet.

The statement, read out by Senor Manuel Perez Guerrero, the Venezuelan Economics Minister, at a Press conference at the end of the third session of the *four commissions set up by the* conference, expressed the 19 oil producers' and developing countries' dissatisfaction at "the slow rate of progress" in the talks.

It warned that the whole conference might be jeopardised unless substantial results were achieved at next month's UNCTAD meeting in Nairobi, which will deal with much the *same issues as* discussed by the Paris conference.

"If it goes on like this it will get nowhere," Sr. Perez Guerrero said.

Though the official statement of the Group of 19 remained vague on the specific cause of the trouble—it merely spoke of the failure of the industrial countries to react positively to their concrete proposals in various fields —the main problem seems to have arisen in the Raw Materials Commission conference.

The developing countries, who at one stage were reported to have considered a walkout but later had second thoughts, were clearly angry that the industrial countries had failed to react to their proposals on raw materials presented at the end of last month's session. These included setting up a joint fund by consumers and producers of raw materials to finance buffer stocks of foodstuffs and other commodities.

The substance of the charge was not denied by delegates of the industrial countries, but it was plain from their attitude that they were playing a diplomatic waiting game in anticipation of the Nairobi Conference. To have revealed their hand fully before the UNCTAD meeting would have weakened their negotiating position.

To-day's outburst by the Group of 19, therefore, was not taken too seriously in the industrialised camp. It was realised all along that the dialogue would have its serious ups and downs, and even crises, as the talks began to enter *their final phase.*

The Nairobi Conference will offer an opportunity for some of the main problems to be ironed out before the four conference commissions, on energy, raw materials, development aid and finance, meet again in Paris in June. That meeting will be followed by a high-level conference of all the 27 participating nations in late June or early July.

Freight, truck traffic rises at Dover port

By Our Industrial Staff

COMMERCIAL TRAFFIC and roll-on freight passing through the port of Dover showed a big increase during the first three months of this year, according to the Harbour Board.

The number of road haulage vehicles was up more than 15 per cent., at 74,108, while roll-on *freight increased nearly 10 per* cent. to 20,640.

Weather

U.K. TO-DAY

MAINLY dry and sunny, drizzle in some areas.

London S. and N. England, Midlands, Channel Is, Wales, Lakes, I. of Man, S.W. Scotland, N. Ireland

Dry sunny spells. Wind variable, or N.E. Max. 10-11C (50-53F).

E. England

Variable cloud, sunny intervals. Wind N. Max. 10C (50F).

Borders, Edinburgh, Dundee, Aberdeen areas

Cloudy, coastal drizzle, sunny intervals inland. Wind N. Max. 9C (48F).

Moray Firth area, N.E. Scotland, Orkney

Bright intervals, scattered showers. Wind N. Max. 7C (45F).

Highlands, Argyll, N.W. Scotland

Mainly dry, sunny intervals. Wind N.W. Max. 10C (50F).

Shetland

Bright intervals, wintry showers. Wind N. Max. 4C (39F).

Outlook: Dry, some rain or drizzle.

Lighting-up: London 20.50, Manchester 21.04, Glasgow 21.20, Belfast 21.23.

BUSINESS CENTRES

	Y'day Mid-day		Y'day Mid-day
Amsterdm.	[illegible]	Manchester	[illegible]
Athens	[illegible]	Melbourne	[illegible]
Barcelona	[illegible]	Milan	[illegible]
Belfast	[illegible]	Montreal	[illegible]
Belgrade	[illegible]	Moscow	[illegible]
Birmnghm.	[illegible]	Munich	[illegible]
Bristol	[illegible]	Newcastle	[illegible]
Brussels	[illegible]	New York	[illegible]
Budapest	[illegible]	Oslo	[illegible]
B. Aires	[illegible]	Paris	[illegible]
Cairo	[illegible]	Perth	[illegible]
Cardiff	[illegible]	Prague	[illegible]
Cologne	[illegible]	Reykjavik	[illegible]
Copenhgn.	[illegible]	Rio de J'o	[illegible]
Dublin	[illegible]	Rome	[illegible]
Edinb'rgh	[illegible]	Singapore	[illegible]
Frankfurt	[illegible]	Stockholm	[illegible]
Geneva	[illegible]	Strasbourg	[illegible]
Glasgow	[illegible]	Sydney	[illegible]
Helsinki	[illegible]	Tehran	[illegible]
Hong Kg.	[illegible]	Tel Aviv	[illegible]
Jo'burg	[illegible]	Tokyo	[illegible]
Lisbon	[illegible]	Toronto	[illegible]
London	[illegible]	Vienna	[illegible]
Luxembrg.	[illegible]	Warsaw	[illegible]
Madrid	[illegible]	Zurich	[illegible]

HOLIDAY RESORTS

Ajaccio	[illegible]	Jersey	[illegible]
Algiers	[illegible]	Las Plms.	[illegible]
Biarritz	[illegible]	Locarno	[illegible]
Blackpool	[illegible]	Luxor	[illegible]
Bordeaux	[illegible]	Majorca	[illegible]
Boulogne	[illegible]	Malaga	[illegible]
Casablnca.	[illegible]	Malta	[illegible]
Cape Tn.	[illegible]	Nairobi	[illegible]
Corfu	[illegible]	Naples	[illegible]
Dubrovnik	[illegible]	Nice	[illegible]
Faro	[illegible]	Nicosia	[illegible]
Florence	[illegible]	Rhodes	[illegible]
Funchal	[illegible]	Salzburg	[illegible]
Gibraltar	[illegible]	Tangier	[illegible]
Guernsey	[illegible]	Tenerife	[illegible]
Innsbruck	[illegible]	Tunis	[illegible]
Inverness	[illegible]	Valencia	[illegible]
Istanbul	[illegible]	Venice	[illegible]

S—Sunny. F—Fair. C—Cloudy. R—Rain.